

The Deliberation and Preliminary Decision-Making reconvened on Friday, May 13, 2016 at 9:00 a.m., and proceeded as follows:

Honorable Mason K. Chock  
Honorable Gary L. Hooser  
Honorable Ross Kagawa (*present at 9:11 a.m.*)  
Honorable KipuKai Kuali'i (*excused 11:46 a.m. to 1:30 p.m.*)  
Honorable Mel Rapozo (*excused at 3:37 p.m.*)  
Honorable JoAnn A. Yukimura  
Honorable Arryl Kaneshiro

Committee Chair Kaneshiro: Good morning. I would like to call back to order the Budget & Finance Committee and the Fiscal Year 2016-2017 Budget Decision-Making session. Let the record reflect that we do have a quorum. Councilmember Kagawa is on his way. He should be here very soon. Just to check, is there anyone in the audience wishing to testify on the budget?

There being no objections, the rules were suspended to take public testimony.

There being no one present to provide testimony, the meeting was called back to order, and proceeded as follows:

Committee Chair Kaneshiro: We are nearing the end of our individual cuts and again, I thought about how our process was going to go today. I think to keep it simple, we will go through all cuts, our operating budget cuts and we will go through our CIP budget cuts. The votes will stay consistent; four (4) votes to cut. Once that is done, then we will come back and go through cuts that affect all departments. We will go back through with cuts and additions, then any additions, and that would be to any of them. We will try to keep it consistent. With that, we were on Solid Waste. Are there any further proposals for Solid Waste? If not, we will move on. Wastewater? Wailua Golf Course? We are going to go through Capital Improvement Projects (CIP) also. Are there any cuts for the Bikeway Fund in CIP? Are there any cuts to the Bond Fund in CIP? Are there any cuts for Development Fund in CIP? Are there any cuts for the General Fund CIP? Are there any cuts for the Highway Fund CIP? Are there any cuts for the Sewer Trust Fund CIP? Are there any cuts for the Special Trust Fund for Parks & Playgrounds? Okay, we got through our CIP. Now, we will take any cuts affecting all departments in the operating budget. Do we have any cuts that affect multiple departments?

Councilmember Kuali'i: Just cuts?

Committee Chair Kaneshiro: Just cuts, no additions. Do you have one (1), Councilmember Kuali'i?

Councilmember Kuali'i: The first one that will be coming around is to cut dollar-funded positions that were dollar-funded last fiscal year and that is being proposed to be dollar-funded for this fiscal year, and that has been vacant for longer than nine hundred (900) days, which is over two (2) years. There are five (5) positions, and you see those on the back. In the Office of the County Auditor, Auditor II; in the Council Services Division, Council Services Administrator; in the Planning Department, Geographical Information System (GIS) Analyst; Department of Public Works (DPW) Buildings Division,

Elec-Electronic Equipment Repairer; and DPW Engineering Division, Engineering Drafting Technician I.

Councilmember Kualii moved to eliminate General Fund positions that were dollar-funded in Fiscal Year 2015-2016 and remain dollar funded in Fiscal Year 2016-2017 and have been vacant for greater than 900 days as of May 1, 2016, seconded by Council Chair Rapozo.

Committee Chair Kaneshiro: Are there any questions or discussion on this?  
Councilmember Yukimura.

Councilmember Yukimura: In terms of number of positions, how many are there? Is it just these that are listed?

Councilmember Kualii: Five (5) positions.

Councilmember Yukimura: Okay.

Councilmember Kualii: They are all dollar-funded. If you want to have a sense of future expense, there is the column on current annual salary range. If last year it was dollar-funded, it is being proposed for this year to be dollar-funded, and if it was filled with money being transferred or what have you, the cost would be in that range. If it was needed the year after this year, they would come back to the Council and ask for a position with justifying the amount, the need, and what have you.

Councilmember Yukimura: I have another question.

Committee Chair Kaneshiro: For the Administration?

Councilmember Yukimura: No, for the introducer.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: Have you checked with the departments about these positions?

Councilmember Kualii: Not beyond what we heard with them during budget. As an example, during budget in the Planning Department's presentation, they talked about the need for positions and looking at reclassifying and reallocating. They talked about the Planner VII, Planner III, Planner V, another planner VII, and an Inspector III. But they have said they do not need this position for next year and that is why they are dollar-funding it. Now, if the year after that they do need to do it and we end up eliminating it, this would mean they would have to come back and ask for a new position, but we do our budgets only one (1) year at a time.

Councilmember Yukimura: Yes. Are you talking about the GIS Analyst in the Planning Department?

Councilmember Kualii: Yes, that is the position that came up when I took the position vacancy report and I applied this rule, dollar-funded last year, proposed to

be dollar-funded this year, and vacant for more than nine hundred (900) days. You can ask Planning Department, if you want to.

Councilmember Yukimura: Yes, I would like to get the Planning Department here if possible.

Committee Chair Kaneshiro: I do not see them.

Councilmember Yukimura: But Mr. Tabata is here.

There being no objections, the rules were suspended.

Committee Chair Kaneshiro: Do you have a question for Lyle or for the Department of Human Resources (HR) in general?

Councilmember Yukimura: Yes, I want to know from the departments just what their situation is.

LYLE TABATA, Acting County Engineer: Lyle Tabata, Acting County Engineer representing DPW. For the Electronic Equipment Repairer position in the Building Division, we are in continuous recruitment. We had talked about having difficulties with plumbers and having open recruitment. I do not know if people were watching this or people were notified, but we recently filled the vacant Plumber position. We are hoping the same thing would happen with the Electronic Equipment Repairer, plus with the eventual or proposed move to the Department of Parks & Recreation (DPR) of this section of Building Division, I do not want to handicap them by eliminating this position. We always have hope that somebody will or might apply. I am still working with Doug and am in the transition when we move this position to the whole department to DPR. I have started working with HR on a Countywide trades progression program that I worked with when I was the manager of Līhu'e Plantation, that helped us develop our skilled workforce for journeymen, mechanics, electronic technicians, electricians, and the like. I am asking to keep this position at a dollar-funded position, and if we do have viable applicants, we would come back, but do not handicap the future with eliminating it entirely.

As far as the Engineering Drafting Technician I for the Engineering Division, we are holding that as a flex position that when we get to that stage of having the need for the capacity, that is available for us to then quickly come over to get a money bill to fund the position. At this point in time, we do not feel that it is a need position, but we would like to have that available for us when we do need it as we keep developing our projects and the need arises.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: Thank you, Lyle. First of all for the Electronic Equipment Repairer, is that position one that you need?

Mr. Tabata: Right.

Councilmember Yukimura: That is why you are in continuous recruitment?

Mr. Tabata: In continuous recruitment, yes.

Councilmember Yukimura: And you have not been able to fill it, but you are hoping like your Plumber position, which was just filled.

Mr. Tabata: Yes.

Councilmember Yukimura: And that was open for how long?

Mr. Tabata: It is continuous.

Councilmember Yukimura: No, but...

Mr. Tabata: Oh, yes. We reposted again after the last selection. I believe it was about six (6) to eight (8) months before we had enough candidates and then we could go through the applications.

Councilmember Yukimura: Okay. Then the Engineering Drafting Technician I, is that a position that could also be funded by special fund that sometimes...

Mr. Tabata: This is not a building permit function, yes.

Councilmember Yukimura: Okay.

Mr. Tabata: If it was on the building permit side, yes. If we had an inspector, that would be, but this is project-specific.

Councilmember Yukimura: You might want to include it in that particular category. My last question is, and I commend Councilmember Kualii for being concerned about these dollar-funded positions because we have seen these morph into totally different positions that were never vetted, but I am hearing that you do not have any intentions for that.

Mr. Tabata: No.

Councilmember Yukimura: That these are positions that you want to keep.

Mr. Tabata: Yes.

Councilmember Yukimura: And you will use the position for...

Mr. Tabata: To flex for project driven needs, yes.

*(Councilmember Kagawa was noted as present.)*

Councilmember Yukimura: Right. So there is no intention or plan, and you can hopefully commit to not changing it into other positions unless it is related to the job in some way?

Mr. Tabata: That is why it has been dollar-funded for a number of years. As we are building our capacity with projects as is evidenced with all of

these projects all going to construction and in design, the Engineering Division, we had to rebuild the division and our programs. Two and a half (2½) more years, but whoever follows us will have a good solid foundation to keep the projects moving and improve upon what we started.

Councilmember Yukimura: I like that thinking. Thank you very much.

Committee Chair Kaneshiro: Council Chair Rapozo.

Council Chair Rapozo: Actually, my question is a general question probably more for the Administration because I think this discussion, the reason why Councilmember Kuali'i spent so much time over the last few years with the vacancy report is because of the morphing of positions that happens actually more often than I would like. Is the Administration open to a proviso because I know the attorneys will argue that we do not have the right and we do not have that authority? Would the Administration be open to a proviso and agree to a proviso that if you folks are going to morph a position between budgets, that it comes before the Council so the Council is aware?

Mr. Tabata: For the DPW...

Council Chair Rapozo: That was more for the Administration because I think yesterday we went through the whole exercise with the Fire Department, which is the proper way, that you come up, show the position you are taking, the position you are morphing it to, the pay, and the Council votes. But when it is done mid-year, you can take any position and create a whole new position and totally deviate from the budget that was approved. I still think that is not right, but I am not the lawyer. That would be my question. That would ease a lot of tension, I think, the stress. That would allow us to be more relaxed with the dollar-funded positions as opposed to being worried what is going to happen with this position. It has been vacant over a year. What is it for? It is just there so we can create positions during the budget year? That would be the question.

NADINE K. NAKAMURA, Managing Director: Nadine Nakamura, Managing Director. Thank you for your question. I think in this budget, we have shown where certain positions morphed. We were very explicit about how those positions were changed, taking from positions that were dollar-funded, but then as we reengineer within every department, the Vacancy Review Committee does their work. In this budget, we were able to describe where some of those changes were made and how we could accommodate some of the existing needs and not just do everything just because it is the status quo. The budget is really a good time for that discussion to happen, but things happen during the year. As vacancies arise, the Vacancy Review Committee...to me, vacancy review is kind of a misnomer because it is not just about filling the vacancy. What they are doing is they are really having the discussions with the department heads/division heads about how we can do things differently within that. It is really a re-engineering committee because they are looking at...we do not have to do it this way. That is why the abandoned vehicle position went from one department to the other, and sometimes that involves a money bill, and that is why we come to Council in situations like that. In that situation, we had to come to the Council. But certain times, we want that flexibility to...vacancies happen throughout the year, so we would like to have the flexibility to work the situation out, and to give the Vacancy Review Committee the ability to work with the

department heads and division heads to redo the way we operate our County to make it more efficient. We would like that flexibility.

Council Chair Rapozo: Okay, that is fair. Thank you.

Committee Chair Kaneshiro: Councilmember Kualii.

Councilmember Kualii: Back to Lyle. You had said that Position No. 1856, Electronic Equipment Repairer, is on continues recruitment. Has it been on continuous recruitment for the one thousand twenty (1,020) days that it has been vacant or nearly three (3) years?

Mr. Tabata: Pretty much. We have had positions get filled that had become vacant, but this one has been one that has never been filled. We could have used this number and the days open could have been less, but an electrician left, we hired another one, and so this one just ended up being the one number that...

Councilmember Kualii: That stayed vacant?

Mr. Tabata: Yes. We have hired in the past six (6) years, I believe, two (2) new electricians, but we have never been able to fully man. Recruitment is out there and it is just that this number ends up being the one that does not get filled.

Councilmember Kualii: The other question is, you are adamant that you need this position, so in the past three (3) years, how have you been meeting the need?

Mr. Tabata: The backlog grows or we use overtime to cover for the shortage.

Councilmember Kualii: Okay. The only other thing is that this position you see as definitely needed and in current recruitment trying to fill. If you could fill it tomorrow, you would.

Mr. Tabata: Yes.

Councilmember Kualii: But the other position you said, we are holding as a flex. When we get to the stage of having a need, we want to be able to quickly hire/transfer.

Mr. Tabata: We would need to come to you because it is dollar-funded, to fund the position. At the minimum, it will take two (2) months. It just allows us to be more flexible.

*(Councilmember Kagawa was noted as not present.)*

Councilmember Kualii: If you would need to come to us to fund the position, could you not just come to us to create and fund the position?

Mr. Tabata: I am not sure what the process is to create new positions. I know that it is a lot harder to create positions once you lose it.

Councilmember Kualii: It is a lot harder because you may not have four (4) votes to create it because really, the answer to this is not that you would need to come to us to fund it because you could just fund it. You could transfer money.

Mr. Tabata: Not necessarily.

Councilmember Kualii: Once the dollar is there...

Mr. Tabata: No.

Councilmember Kualii: Are you saying you would not have the money?

Mr. Tabata: Yes. In my experience, every time I had a dollar-funded position other than the Building Revolving Fund positions, we have had to come to Council to get approval.

Councilmember Kualii: Your final position in this is you are holding it as a flex and you would like to keep it as dollar-funded because should you have the need, which you do not have now, you want to be able to come to the Council and ask for funding to fill an already existing position?

Mr. Tabata: Exactly.

Councilmember Kualii: Thank you.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: Lyle, can you even recruit or post without an authorized position?

Councilmember Kualii: They do not have a need.

Councilmember Yukimura: Right.

Mr. Tabata: I need help with that, excuse me.

Councilmember Yukimura: Maybe Jill?

Councilmember Kualii: The answer yesterday was yes. You can recruit if you have a dollar.

Councilmember Yukimura: Okay. I am forgetting.

Councilmember Kualii: From Janine.

Councilmember Yukimura: No, but if you do not have a dollar.

Mr. Tabata: If I do not have a position, I cannot recruit.

Councilmember Yukimura: Yes.

Councilmember Kualii: But you would not recruit if you did not have a need. Are you recruiting this position we are talking about?

Mr. Tabata: Not now.

Councilmember Kualii: No.

Councilmember Yukimura: However, Lyle, if you determine that you have a need and then you have to go to get authorization two (2) months from the Council, then you post it, and then nobody responds to it, would not it be better to post it and see if you have a response and then come for funding? You have a one dollar (\$1) position.

Mr. Tabata: It depends.

Councilmember Yukimura: Okay. Alright.

Mr. Tabata: It depends on the...if I was to do that right now, I know I would have applicants.

Councilmember Yukimura: Oh, are you not in continuous posting?

Mr. Tabata: Right.

Councilmember Yukimura: But you could go to that right away?

Mr. Tabata: Right.

Councilmember Yukimura: The reason you could not find money elsewhere in the budget to put into this position is you folks have a very narrow margin?

Mr. Tabata: Yes.

Councilmember Yukimura: You do not have those big overtime budgets that the Police Department has where you can easily transfer money, right?

Mr. Tabata: Yes. I am going to be honest, over the years we have been tasked by the Administration to do a better job with budgeting and make it more to actual. They have done all of these charts for us that gives us trends, so we have had to drill down to more true to actual budgets than ever before.

Councilmember Yukimura: So you have a very tightly presented budget?

Mr. Tabata: Yes, very tight.

Councilmember Yukimura: Thank you.

Committee Chair Kaneshiro: Are there any further questions?



Mr. Tabata: Let me add that before I come to Council, I need to go through the Administration and pass their vacancy review process also. So it is not a slam-dunk.

Councilmember Yukimura: And it is right timing.

Mr. Tabata: As an example of what we had done, was in our automotive shop, we needed to replace a lubrication worker and a tire worker, and we morphed it into one (1) position to be more flexible. We went through the whole process and we had to identify a new position description, identify the new class, and create that morphed position that the Managing Director mentioned.

Councilmember Yukimura: Did you do that through the Vacancy Review Committee?

Mr. Tabata: Yes.

Councilmember Yukimura: I do see the need to have that flexibility for the Administration. The Administration is taking on the responsibility of really reviewing and not just mindlessly filling what might be an obsolete or outdated position. Alright. Thank you.

Committee Chair Kaneshiro: Are there any further questions for the Administration? Do we have a question for the Planning Department?

Councilmember Yukimura: Yes.

Committee Chair Kaneshiro: Mike is here.

MICHAEL A. DAHILIG, Planning Director: Good morning.

Councilmember Yukimura: Good morning. Do you want to state your name?

Mr. Dahilig: Mike Dahilig, for the record.

Councilmember Yukimura: Okay. I hardly heard that. Mike, the proposal is to remove the GIS Analyst position because it is been open for so long. It is important for us to know how you see the need or not need for this position.

Mr. Dahilig: The history behind the position being vacant is that this was a position about four (4) budgets ago that was authorized by the Council, a fully funded position, for a Records Management Analyst. What was meant at the time was to support and try to build a Geographic Information System (GIS) program that was specifically focused on trying to digitize and provide analysis given the amount of digital information that we have in the County. However, there was a prolonged discussion once the budget was passed whether or not that position regularly belonged in my department or with the Department of Finance. It took literally almost a year to try to get to a point where the position was reclassified to GIS Analyst and then posted for recruitment. When it was posted for recruitment, we were already in the midst of the next budget season, and that was the budget that pretty much anything that was not filled because of the deficits

that were pending before the Council, everything had to be dollar-funded. So even though it was protracted, we ended up having to dollar-fund the position because we were not able to fill the recruitment in time. We have always pressed upon the Administration from a departmental standpoint, the importance of having a focused GIS program. It is a program that we are increasingly seeing across the Counties, that other Counties are making significant investments in. For instance, when you look at Maui County, they have five (5) individuals that are dedicated specifically for GIS. Currently, we have half a Planner that helps out and half a GIS Analyst that also helps with the other Information Technology (IT) duties around the County. With the wealth of information and the amount of information that is coming in, it begs the question concerning, and we always felt it appropriate to maintain the position to continue to have that dialogue and say, where should the investments in trying to build data-mining efficiencies come from? We would obviously like to have that position filled also because we think having a focused person on GIS at work in the County actually provides the return on both in the amount of time that it takes to actually review and mine information, but at the same time, provide accurate and discreet information across all departments. We are still also in the midst of land use management information system that we are looking at investing in. The system needs people that know how to analyze it and they also need information that is data-ready to actually be uploaded and put in. I do not want to shy away from the fact that our department still emphasizes this is a need for the County; however, in light of the budget situations, we felt at the time, it was important to fund moneys for the enforcement program versus the GIS program.

Councilmember Yukimura: The concern here is that you will take this position and morph it into another position that is totally unrelated to what was approved. I want your assurance, if it is true, that you are not planning to do that.

Mr. Dahilig: I think the reality with our department's budget considering the bottom-line item is that when you add the discretionary items in our budget, it is barely enough to even fund a warm body for that position. The ability for us to choose between filling the position and aggregating funds for a transfer into that particular account to pay for this position, would be a choice between warm bodies or paper. I would probably say practically even though that position could be morphed or changed, in reality, the funds for the department really are not there to actually aggregate and create something like a GIS Analyst position.

Councilmember Yukimura: Okay. It is not technically possible for do you that. What is your intention?

Mr. Dahilig: The intention is that say there an opening where we can split...let us say I have somebody that leaves the department at a high salary, and then we can look at entry level that maybe gives the opportunity to split the position so that we can hire low, both a GIS Analyst and on the new recruitment for that person that leaves the County.

Councilmember Yukimura: Okay, but it is still the intention to have a GIS Analyst?

Mr. Dahilig: It is still the intention of the department.

Councilmember Yukimura: Okay, that is all I wanted to know. The need will get more salient as you develop the land information system, right?

Mr. Dahilig: I believe the need is already there. We have had already to normalize communication between Garrett and Lea because we get conflicting work orders because we have GIS handled by two (2) different departments.

Councilmember Yukimura: Okay. The need is already there. As you rationalize the whole system and the interdepartmental connections in developing your land information system, I think the role of this GIS Analyst may move it into reality because of the system that you are developing.

Mr. Dahilig: Right, it is something that is long needed. In the desire to try to provide accurate products for the other agencies regarding anything from zoning to where fire hydrants are to where water lines are, we do not have a centralized way of doing that.

Councilmember Yukimura: Yes, and we are finding out with the Additional Rental Unit (ARU) Bill and the need for land information, whether it is proximity to sewers, or subdivisions with conveyances, how important data is to planning.

Mr. Dahilig: Yes.

Councilmember Yukimura: When you said it has been a long time, I want to share that when I was Mayor and after the hurricane, we used Federal Emergency Management Agency (FEMA) moneys to create the first GIS Analyst position, and that did not last very long because we did not have money and we were far behind. But that is how long ago that idea was conceived. Thank you.

Committee Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: Mike, with everything we talked about with this position, are you planning on coming up with a way to utilize the position this year? Within this budget period, are you planning on trying to act on it is my question.

Mr. Dahilig: Like I mentioned earlier, the only way that we would be able to act on a position like this is if I had a high-level senior person leave the department, recruit salary savings, and split between two (2) positions. That is the only way I can do it right now.

Councilmember Chock: You do not foresee that happening this year?

Mr. Dahilig: If that does happen this year, again, it is hard to anticipate when people are intending on leaving, but that has been the move that we have been trying to go with in case that does happen.

Councilmember Chock: So just in case?

Mr. Dahilig: Just in case, yes.

Councilmember Chock: Got it.

Mr. Dahilig: We have no intentions of creating anything but that.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: It is conceivable as you develop the land information system that the priority for this position, I know you said enforcement has been the compelling priority, but the priority for this position might grow so in the next year or the next budget, you might come for full funding.

Mr. Dahilig: I would have liked to come for full funding this budget.

Councilmember Yukimura: Yes, okay.

Committee Chair Kaneshiro: Are there any further questions for the Administration? Councilmember Kualii.

Councilmember Kualii: I have to honestly say I am a little bit confused by some of our answers about need versus what is possible. I just wanted to understand because let me clarify too, that this is not just about dollar-funded positions that potentially could be morphed into different positions. What this is about is seriously looking at scaling back the size of this County by number of positions. So eliminating positions that we do not absolutely need, critical need, versus other positions, right? Also taking an honest look at positions that do not have warm bodies in it or there is not a potential to have a warm body in next year because it is kind of a wish instead of a need. Honestly, this has not been on continuous recruitment. It is not like a critical need like the electrician position we heard about earlier from the Building Division, correct?

Mr. Dahilig: I guess the word "need" is relative.

Councilmember Kualii: Yes. Then, based on need as far as something that absolutely has to get done, if the position is not hired and that needs to get done, how is it being done now or if it is not and it falling by the wayside, is it something that we can afford to fall by the wayside because it is not critical, or looking forward, is it something that we can fill some other way, with other positions? You talked about something that it is not going to be possible unless there is another higher senior position and the funding could be shared, and it would be a half-half position. This is all your hope and wish for something in the future, correct?

Mr. Dahilig: Let me answer the question concerning need and why I look at this as a need versus a wish, just to address that first. We have always seen GIS work as a way to actually be cost efficient in the County. The ability for us to do quick and efficient analysis has always been our goal so we do not have to actually hire more people down the line even though it may require one (1) position that is specialized with the software. Let us say, if we are asked how many homestays do you have within R-6 within the Lihu'e District? That has to be done by hand right now. We cannot do that digitally. We take manpower to actually do that digitally. If we get a query from the Police Department, how many homes have permits for, let us say, multi-family versus

single-family situations or let us say they queried that question. We have to again do that manually. A lot of the things that we are able to do right now is fully digital. I would characterize the need to be efficient as something that we not wish, but want because we want to provide accurate, timely, and efficient work products for the County. The second thing concerning how we were actually going to treat the position, again just to clarify, I have a lot of senior people in my department that have high salaries based off of their SR rating and step. The only way that we would eventually be able to even fund the position should we choose to recruit is by retitling both of those positions to lower entry-level positions. So that is conceivably feasible if that does happen. Again, I love my staff. I hope none of them leave, but that is what we are trying to prepare for. If there was a situation where that arose, that would be where we would move to so that we can actually push the resources in that direction because I do not have the flexibility for my discretionary budget because we have barely any operating funds and I do not have any equipment that would be able to scoop to send that way. This is not a situation that we are saying one thing and doing another. I understand the need to cut the position and I understand that this has been an outlier considering the amount of time it has not been recruited, but it is hard for us to actually go through the recruitment when we do not have the money available, and that is why we have not gone through active recruitment.

*(Councilmember Kagawa was noted as present.)*

Mr. Dahilig: I cannot aggregate more funds in my department to commit to long-term funding for that position.

Councilmember Kualii: My last question is, and I am assuming that the answer to the question is yes, if this Council required you to cut one (1) position, being that this position has been on the books and vacant for four (4) years, would this be the position you would cut?

Mr. Dahilig: It is what it is.

Councilmember Kualii: So the answer is yes?

Mr. Dahilig: It is what it is.

Councilmember Kualii: Thank you.

Committee Chair Kaneshiro: Are there any further questions for the Administration?

Councilmember Kualii: I would say since we heard from DPW and the Planning Department defending these positions, maybe it would be good to hear from the Office of the County Auditor and the Council Services Division to defend those positions.

Committee Chair Kaneshiro: We have the Council Services Division ready to answer. Jade, I will give you an opportunity to defend yourself on getting rid of this dollar-funded position.

Councilmember Kualii: Maybe that is not the right word, "defend," and it is not necessary. Sorry. But Councilmember Yukimura chose to ask those questions in an

attempt to defend those positions, but I do not see her defending the other two (2), and I should not use the word “defend.” Sorry.

Councilmember Yukimura: I was just trying to check with our County Clerk. I think it is good to ask her. It was not that I did not want...that is what my next step was. I think we need to hear from all of the departments where we are proposing to eliminate dollar-funded positions just to understand what they have to look at, and in hearing the Administration departments that have appeared right now, there have been considerations that were unknown to us that I think we need to know.

Committee Chair Kaneshiro: Jade, do you want to come up?

Council Chair Rapozo: She can do it from her desk.

Committee Chair Kaneshiro: Okay. What is the question for Council Services?

Councilmember Yukimura: Shall I?

Committee Chair Kaneshiro: Whoever. She will answer from there.

Councilmember Yukimura: Is it okay television (TV) wise?

Committee Chair Kaneshiro: Yes. They watch them read.

Councilmember Yukimura: Okay, good. I think it is the same question, Jade, that we have been asking the other departments. What are the considerations in terms of possibilities and needs of the department that might make you want to keep these positions dollar-funded because there is no real dollar implication? As a Council, we would not see them morphing in ours. Go ahead.

JADE K. FOUNTAIN-TANIGAWA, County Clerk: Thank you for the opportunity. I did speak with Councilmember Kualii a little bit about it yesterday. This position, although we have not filled it...

Councilmember Yukimura: Which one are you talking about?

Ms. Fountain-Tanigawa: This is the Council Services Administrator.

Councilmember Yukimura: Okay.

Ms. Fountain-Tanigawa: Although we have not filled it and it has been vacant for quite a while because both the Deputy County Clerk and the County Clerk have been kind of serving dual purposes, this position would really allow for career progression for our Analysts. I could not tell you when that position would be filled, but like other departments, it does provide us flexibility and opportunity.

Councilmember Yukimura: May I follow-up?

Committee Chair Kaneshiro: Speak into your microphone.

Councilmember Yukimura: Okay. It could also play a role in succession planning?

Ms. Fountain-Tanigawa: Yes.

Councilmember Yukimura: What about Auditor II? Can you say something about the Office of the County Auditor?

Ms. Fountain-Tanigawa: The Office of the County Auditor, I have been working on a transition plan for the office itself, which will be presented to the Members. But ultimately, I believe it was the Council's desire to allow the new Auditor, should and when that person is hired, to structure the office as that person would see fit.

Councilmember Yukimura: Yes. Is there a possibility of using...Council Chair Rapozo has already signaled a desire to do performance audits even without an Auditor in place. Could an Auditor II position help the Office of the County Clerk do that?

Ms. Fountain-Tanigawa: From my understanding, the Auditor II position would need to remain within the Office of the County Auditor...

Councilmember Yukimura: Yes.

Ms. Fountain-Tanigawa: ...which we do not necessarily have direct oversight over.

Councilmember Yukimura: I see. Okay. Alright. Anything else? Okay. Thank you.

Committee Chair Kaneshiro: Councilmember Kualii, do you have a question?

Councilmember Kualii: My question is, because I think what you had mentioned was the opportunity for advancement and that this position is the next in line. I do not know if that is the only case, but being that the Clerk and the Deputy are covering what might be some responsibilities that this position would have, when the need came, when it was time for somebody who had served so much or whatever had to be promoted or would want the opportunity to be promoted and this was the only position, would it have to be this position at a salary range of \$77,000 to \$135,000, or could it be some other position that could be created in the future when it is needed?

Ms. Fountain-Tanigawa: Yes. There has been another position in addition to the Council Services Administrator. There has been a position right below that that we have also utilized.

Councilmember Kualii: Does that position still exist as a dollar-funded position? I think maybe. I do not have it in front of me.

Ms. Fountain-Tanigawa: I do not believe so.

Councilmember Kualii: We have one (1) or two (2) other dollar-funded positions that were not vacant for more than nine hundred (900) days.

Council Chair Rapozo: Those are the Analysts.

Councilmember Kualii: Oh, okay. So that position was deleted in the past?

Ms. Fountain-Tanigawa: Yes, we do.

Councilmember Kualii: Oh, we do?

Ms. Fountain-Tanigawa: Yes. It is the Council Services Review Officer, middle of the page of the salary page. Position No. E-66 is currently dollar-funded. That would be the next step above the Analyst.

Councilmember Kualii: At this point being that this position has been vacant for over four (4) years considering the salary range, if this Council asks your department to eliminate one (1) position, would this be the position or might it be another?

Ms. Fountain-Tanigawa: Of all dollar-funded positions?

Councilmember Kualii: Yes.

Ms. Fountain-Tanigawa: I would probably have another one that I would consider also, but I understand the need for that. If you choose to eliminate the Council Services Administrator, I would ask that you keep the Council Services Review Officer position as a dollar-funded position open.

Councilmember Kualii: This is the only one being proposed because it is the only one that showed up as vacant for more than nine hundred (900) days.

Committee Chair Kaneshiro: Are there any further questions?

There being no objections, the meeting was called back to order, and proceeded as follows:

Committee Chair Kaneshiro: Is there any discussion on this? Councilmember Yukimura.

Councilmember Yukimura: I am not able to vote for all of the ones that are proposed. I would like to keep the Planning Department, DPW Building Division, DPW Engineering, and the Office of the County Auditor, at least. Wow, that is a first for me.

Committee Chair Kaneshiro: There is a buzzing noise in the microphones that comes through on there and it comes out on the TV. It is just something that they are working on, so we do have to just speak louder.

Councilmember Yukimura: Okay. Thank you. I cannot vote to eliminate all the positions that have been proposed. Based on the testimony that we have heard today, Planning Department, DPW Building Division, DPW Engineering Division, and Office of the County Auditor, Auditor II position, I think we should allow to stand as dollar-funded. I think we heard our Clerk say if forced to choose, she would choose eliminating the Council



Services Administrator. I do not know how the others feel about that, but that was the only one where that I might be comfortable doing.

Committee Chair Kaneshiro:            Anyone else? No further discussion. I think we see these dollar-funded positions because everyone is trying to do more with less. We are telling everybody to cut their budgets and do not hire. They end up having to dollar-fund positions that they would love to have. Then you have heard that if they had the opportunity, they would love to fund it, but because of our tight budget, they are not. It also gives them the opportunity for succession planning. You get a high level paid person that leaves, then without having to increase their budget, they are able to take that money and then hire two (2) more lower-level positions. I do see the value of that in succession planning. It ultimately comes down to trust. Do we trust that these departments are going to reallocate the position to something else or not? I think we are running a tight budget. I am comfortable leaving it in, and that is just me. Is there any other discussion? Council Chair Rapozo and then Councilmember Kualii'i.

Council Chair Rapozo:            I just have problems with the morphing. I have seen it over too long a period. It happens. This is the mechanism or the tool, the vehicle that is used. For a position to be vacant that long with no attempt to recruit, tells me that it is not a needed position. It is not. If, in fact, we are not actively recruiting, how can you say you need the position? I looked it up. I do not know how many dollar-funded positions we have, but I looked. We have twenty-two (22) job postings. I just checked on the internet. County jobs. So that means we are not recruiting for quite a few of those positions. Again, this is a different year. We said it was going to be a different budget, and this is one of the ways that you tighten it up. You hold the Administration accountable to the positions. I do not have a problem. If they need a position, they can come up here and get it. If they need a position that is not something that is in the budget, they should have to come here anyway and not be able to take a SR-13 and convert to a SR-26 or Excluded Managerial (EM), and that is where I have trouble. We talk about Vacancy Review Committees and all of these. We are supposed to be reducing the size of government through attrition. So as people leave and as vacancies occur, we should be eliminating the position. If we have gone nine hundred (900) days without filling it, that tells me we do not need it. I am going to support the motion.

Committee Chair Kaneshiro:            Councilmember Kualii'i.

Councilmember Kualii'i:            After everything I heard, I would probably remove the Electronic Equipment Repairer position, but that is the only change I would make unless I thought from the Council Services Division...I heard "consider also," but I was not sure if that meant consider that other position instead. I might make that change as well. As far as the other three (3), the only one I fully would withdraw my motion for and resubmit a motion without is the Electronic Equipment Repairer position. I do intend to redo this. I would like to hear a sense as far as what people support, a clearer sense.

Committee Chair Kaneshiro:            Councilmember Kagawa.

Councilmember Kagawa:            Thank you, Committee Chair Kaneshiro. I have a counterproposal to the original Mayor's submittal and the supplemental submittal that shifts the repair & maintenance from Building Divisions to DPR. Like Councilmember Kualii'i talked about, DPW Buildings Division position 1856 that is dollar-funded is going to

be essential to the change that I am proposing because we will have electricians on both sides. It is going to be in the Building Division, but I am going to propose a split in the Building Division so that there is clear separation of DPR repair & maintenance and DPW Building Division repair & maintenance. Again, if I vote for this and we kill it, then I am not giving the Buildings Division and DPR the ability to successfully carry out the plan in the electrical side. I will support your amendment, Councilmember Kuali'i. Great job.

Committee Chair Kaneshiro: Is there any further discussion on this? Councilmember Kuali'i, are you going to withdraw this motion and come back with a new one?

Councilmember Kuali'i: Yes, but I want to come back with a new one that works. If I could hear from the other two (2) Councilmembers or not. It is optional.

Committee Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: I was not going to support the DPW proposal. I also was not clear on the Council Services Division. It sounded like we wanted to maybe switch, and I am okay with that. Not going to support a vote on most of them just from what I heard on some of them saying they need it, and they want to act on it. I feel like they are already operating at capacity and if they can make things work this year, they will want to act on it. That is where I am.

Committee Chair Kaneshiro: Councilmember Kuali'i.

Councilmember Kuali'i: If there is no other comments, I am going to withdraw my motion and work on a replacement.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: I really concur with the concerns about positions morphing into something that is totally different from the position title. The reason why I proposed removing those three (3) School Crossing Guards in the Police Department's budget is because they have been morphing those fifteen (15) positions into all kinds of things and into very high-level positions that are not anywhere of the same nature as School Crossing Guards, and they used their big margins to do that. I think those are really policy decisions that the Council needs to make deliberately, not by default. So that, I believe, is a legitimate concern. In the case of these positions, I do not see that kind of intention. Maybe it is, as our Budget & Finance Committee Chair has said, it is a matter of trust and looking at past performance. But I see these as legitimate positions. I see the departments as needing and wanting them, and they do not have major consequences in and of itself right now, dollar-funded. It is true, if they morph, they will have major consequences. But if there is not that danger, then I think we should allow them.

Committee Chair Kaneshiro: Councilmember Kuali'i.

Councilmember Kuali'i: Last comment before I go. This is not about the positions being legitimate or not. This is not just about the morphability of positions. This is about potentially this Council making tough cuts that maybe should not be seen as so tough because there are no warm bodies, the positions have been vacant over nine

hundred (900) days, and except for the Electrician position, there is no critical need that has been demonstrated. So that is why I will withdraw this and resubmit without the Electrician position. Thank you.

Committee Chair Kaneshiro: Council Chair Rapozo.

Council Chair Rapozo: To add to that, one (1) of the twenty-two (22) positions that I talked about is the DPW Electrician position. That is posted right now.

Committee Chair Kaneshiro: Okay. While staff is working on that, are there any other cuts across the board?

Councilmember Kualii withdrew the motion to eliminate General Fund positions that were dollar-funded in Fiscal Year 2015-2016 and remain dollar funded in Fiscal Year 2016-2017 and have been vacant for greater than 900 days as of May 1, 2016. Council Chair Rapozo withdrew his second.

Committee Chair Kaneshiro: As staff is working on that change, do we have any other cuts across the board?

Councilmember Kagawa: I have.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: I think the sound is terrible. So you folks really have to try to talk loud into the microphone. I watched last night's telecast and all my discussion about the Materials Recovery Facility (MRF) and zero solid waste was unheard. I am very disappointed with that. I stayed up to 11:30 p.m. to hear that and I could not hear it. Even the captioner could not hear it. It was pretty bad. We have to make an extra effort to talk loudly into the microphone. It is bad.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: Point of personal privilege because it is about the sound system. It is really not workable if the sound system does not work.

Councilmember Kagawa: Just talk loud.

Committee Chair Kaneshiro: They are working on the fix. We are not going to hold up the budget meetings.

Councilmember Yukimura: Okay.

Committee Chair Kaneshiro: We have timelines for our budget.

Councilmember Yukimura: I am not asking for an interruption. I am just inquiring about the fix. I am not criticizing anybody. It is just an inquiry because if we are doing budget decision-making and it cannot be heard, it is really not good.

Committee Chair Kaneshiro: Council Chair Rapozo.

Council Chair Rapozo: I do not know because I do not watch this when I go home. Are you saying that you could not hear the sound?

Councilmember Kagawa: It was really bad. The captioner maybe would hear three (3) words, not hear the next three (3) words, and then she tried to pick up three (3) words after that. I talk really loud out of all of us. So I am just saying, put the microphone close to you and talk loud. I think the captioner will be able to hear us and it will function.

Council Chair Rapozo: My concern, and maybe the County Attorney has to take a look at that, because of that (inaudible) agreement, that if we are not captioning properly, then we should not be hearing the thing. I would ask the County Attorney to take a look at that because that was the issue that we had before. If we could not caption, we cannot video. We are not stopping the budget meeting. It is just not going to be here. I would ask for a five (5) minute recess so we can double-check. I do not want to get sued because of that. I was not aware that the captions were not working. I heard that the sound was bad, but I was not sure. I did not hear about the captioning and that is a big concern.

Councilmember Kagawa: If I could respond. She could hear some of it, but as I said, I would say a sentence and she would miss the next sentence. I would say another sentence. The viewer really did not know what I was talking about because there were missing sentences.

Council Chair Rapozo: That is the whole purpose of that setup. If a hearing impaired person cannot understand the same meeting that a person who can hear can, then we are in violation. I would see if we can check, Mauna Kea.

Councilmember Yukimura: But nobody can hear.

Committee Chair Kaneshiro: Councilmember Hooser.

Councilmember Hooser: I, like Council Chair Rapozo, do not watch this. I watch very little TV. I want to suggest another option, maybe we talk less.

Committee Chair Kaneshiro: I like that option. If they can write that down. Do we need to take a recess on this?

Council Chair Rapozo: That is just my suggestion. If the attorney is okay with it, let us move. I do not want to get sued. It is either a yes or no.

Committee Chair Kaneshiro: I am getting the nod we can keep going. Councilmember Kuali'i, do you have your amendment or do you have your revised proposal?

Councilmember Kuali'i moved to eliminate General Fund positions that were dollar-funded in Fiscal Year 2015-2016 and remain dollar funded in Fiscal Year 2016-17 and have been vacant for greater than nine hundred (900) days as of May 1, 2016, with the exception of Position No. 1856, seconded by Councilmember Kagawa.

Committee Chair Kaneshiro: Is there any further discussion? I know we have talked about this for almost an hour. If there is no further discussion...

Council Chair Rapozo: There is. I know I said I would support it. The Auditor II position, because we are in continuous recruitment for the Auditor and it is going to be a vital position for the Office of the County Auditor, I would suggest that we take that out. I do not know if you can do it ad seriatim and we can do it individually, but I cannot support the Auditor II position. We could pick up an Auditor in this coming fiscal year and that Auditor would need to have the opportunity to hire an auditor to assist in that office.

Committee Chair Kaneshiro: Let me take a really quick recess just to see if we can do them one at a time. Are we ready for the ten (10) minute caption break? Ten (10) minute caption break.

Councilmember Kualii: We can easily withdraw and...

Councilmember Kualii withdrew the motion to eliminate General Fund positions that were dollar-funded in Fiscal Year 2015-2016 and remain dollar funded in Fiscal Year 2016-17 and have been vacant for greater than nine hundred (900) days as of May 1, 2016, with the exception of Position No. 1856. Councilmember Kagawa withdrew his second.

Committee Chair Kaneshiro: We will do a ten (10) minute caption break and you folks can fix the proposal.

There being no objections, the Committee recessed at 10:02 a.m.

The Committee reconvened at 10:13 a.m., and proceeded as follows:

Committee Chair Kaneshiro: Welcome back. We have a motion from Councilmember Kualii. Councilmember Kualii, staff has prepared the updated one.

Councilmember Kualii moved to eliminate General Fund positions that were dollar-funded in Fiscal Year 2015-2016 and remain dollar-funded in Fiscal Year 2016-2017 and have been vacant for greater than nine hundred (900) days as of May 1, 2016, with the exception of Position No. 1856 and Position No. E-74, seconded by Councilmember Kagawa.

Committee Chair Kaneshiro: Is there any further discussion on this? If not, we will take a roll call vote.

The motion to eliminate General Fund positions that were dollar-funded in Fiscal Year 2015-2016 and remain dollar-funded in Fiscal Year 2016-2017 and have been vacant for greater than nine hundred (900) days as of May 1, 2016, with the exception of Position No. 1856 and Position No. E-74 was then put, and carried by the following vote:

FOR MOTION:	Hooser, Kagawa, Kualii, Rapozo	TOTAL – 4,
AGAINST MOTION:	Chock, Yukimura, Kaneshiro	TOTAL – 3,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Committee Chair Kaneshiro: Motion passes. Are there any further cuts that affect departments with no additions?

Councilmember Kualii: I have more, but I will give somebody else a chance.

Committee Chair Kaneshiro: I do not think there is anyone else. These are not additions, just cuts across departments. Do you have another one, Councilmember Kualii?

Councilmember Kualii: Yes.

Committee Chair Kaneshiro: Okay.

Councilmember Kualii: Is it being passed around? Yes, Salary Resolution Commission reduction. This proposal is to reduce the budgeted amounts for the raises that would potentially fill the cap up to the filled cap level that was set for some of the positions, the modified version of the Salary Resolution that came through the second time. You will see all of the positions listed. Thirty-six (36) positions for a salary differential, which would budget to the level of a cap of \$571,528. Thirty-six (36) positions \$571,528.

Councilmember Kualii moved to incorporate salary and related benefits reductions for Salary Commission Resolution Officers and Employees so that each Department will find savings within their own Department, seconded by Councilmember Kagawa.

Committee Chair Kaneshiro: Is there any discussion?

Councilmember Kagawa: I think you should state the total.

Councilmember Kualii: I am sorry. Let me make a correction.

Committee Chair Kaneshiro: The total looks like it is \$566,535.

Councilmember Kualii: Yes.

Councilmember Kualii withdrew the motion to incorporate salary and related benefits reductions for Salary Commission Resolution Officers and Employees so that each Department will find savings within their own Department. Councilmember Kagawa withdrew his second.

Councilmember Kualii: I withdraw that because based on other actions we have recently taken, it has been altered slightly.

Councilmember Kualii moved to incorporate salary and related benefits reductions for Salary Commission Resolution Officers and Employees so that each Department will find savings within their own Department, seconded by Councilmember Kagawa.

Committee Chair Kaneshiro: Is there any discussion or questions?

Councilmember Yukimura: Can we have the County Attorney?

There being no objections, the rules were suspended.

MAUNA KEA TRASK, County Attorney: *Aloha.* For the record, Mauna Kea Trask, County Attorney.

Councilmember Yukimura: Mauna Kea, this seems to be a counter run to the Salary Charter provision that requires that the Salary Commission recommendation stand if their Resolution is not rejected by the Council, and that requires a five (5) vote rejection. This is putting a situation where it is forcing departments to pay from money that is not appropriated

Mr. Trask: I apologize. Are you asking if this is a legal...

Councilmember Yukimura: If this is allowed or if this is a violation of the charter amendment proposed by the Salary Commission.

Mr. Trask: (Inaudible). I actually do not have the paper in front of me. I am not sure. I am sorry. I am not sure specifically what we are talking about.

Councilmember Yukimura: Can you speak louder so everybody can hear?

Mr. Trask: Sure.

Committee Chair Kaneshiro: Councilmember Kualii may be able to rephrase the question.

Mr. Trask: In effect, what this does is it cuts the...are you saying that it undoes the Salary Commission Resolution?

Councilmember Yukimura: Yes.

Mr. Trask: Okay. So can we give someone (inaudible)? I see Councilmember Kualii is shaking his head.

Councilmember Hooser: I cannot hear you. Can you speak up?

Mr. Trask: Sure.

Councilmember Hooser: It is really hard to hear.

Councilmember Yukimura: You do not have to bend down. You can just project loud like you are talking in court.

Committee Chair Kaneshiro: I think he gets the point. He will talk louder. What is happening is you are not specifically saying that, say, the Mayor's position, his

amount is going to be reduced a certain amount. The regular salary line item is being reduced by...Councilmember Kuali'i.

Councilmember Kuali'i: I can say it really simply. The Salary Resolution establishes the caps. We have always been told that, when the argument was for supporting the caps, that this is not about what the actual pay will be, it will be what the maximum that it could be. Ultimately, that has been done. The caps have been set. Now, the Mayor has submitted to us a budget that budgets in every case that everything would be paid at that cap, but that is not necessarily decided. The budget is asking for dollar amounts fully funded to fully cover those caps. This does not change the caps in any way. We do not have (inaudible) change the cap unless we have five (5) votes to reject or approve, whatever happened. The reason we are unable to deny with four (4) votes was because we needed five (5); however, this Council has the authority to set the budget. My proposal is to set the budget without the fully funding the caps. That is what it is, and that is allowed as far as I am concerned.

Mr. Trask: That is correct. The Council does have plenary authority to set the budget and control the purse strings. If it does not reject the Salary Commission Resolution and if you just choose to not fund them, then that is within your authority.

Councilmember Kuali'i: Then it is finally still in the Mayor's authority to find another way to fund it? This Council is deciding to accept his proposal or not.

Mr. Trask: I do not know. The process is the process right now.

Councilmember Kuali'i: Yes.

Mr. Trask: I am not going to try to navigate every in and out right now.

Committee Chair Kaneshiro: Are there any further questions?  
Councilmember Kagawa.

Councilmember Kagawa: You just repeated what you said during the Salary Resolution.

Mr. Trask: Yes.

Councilmember Kagawa: That is why I appreciate you. We have had County Attorneys before where they give us one answer before something happens and then the second time it comes up, and the answer seems a little different, but your answer is crystal clear. You said if you adopt the Salary Resolution, or if you cannot reject the Salary Resolution, when it comes budget time, you can choose to put less. I appreciate that answer. This is our chance to put the amount requested or put in less, and this was stated by Mauna Kea before. We are asking the question that I clearly asked at least a couple of times during that discussion.

Committee Chair Kaneshiro: Councilmember Hooser.



Councilmember Hooser: Just to repeat, the Council can approve the Salary Commission's recommendations and not fund those same recommendations?

Mr. Trask: No. The Council failed to reject the Salary Commission's recommendations. The Salary Commission is supposed to operate as an independent apolitical body that looks at rational basis with which it sets salaries. Now, it becomes law sixty (60) days after passage of the Resolution absent any action by Mayor or Council unless Council rejects by vote of five (5). That is what happened. So that does not take away your authority, as Councilmember Kagawa said and as I stated on the record previously, to set the budget. It becomes awkward, but nonetheless, you are the purse strings. I would like to add that as far as the Office of the County Attorney goes, I would have appreciated being consulted about this action prior to it being proposed. I do see it does affect our office. A lot has been said over the course of this topic that no one has told the body that anyone is leaving because of issues related to salary. I was informed this morning that I am going to lose a Deputy. Bright light, big city, there are more opportunities on O'ahu, and they are going to get paid more. We talk a lot about apples and oranges and comparing things appropriately thereto. You cannot get an attorney anywhere for \$45 an hour. This is your authority and you are going to get what you pay for whether services are not.

*(Councilmember Kagawa was noted as not present.)*

Committee Chair Kaneshiro: Ken, do you have a follow-up or clarification?

*(Councilmember Kagawa was noted as present.)*

KEN M. SHIMONISHI, Director of Finance: Ken Shimonishi, Director of Finance. I just wanted to clarify from the March submittal to the May supplemental, obviously the department head increases were included; however, departments that did in fact already make cuts to the budgets from the March submittal to cover those amounts that were related to the department head and deputy increases. So that, in fact, has already been put into the individual department level budgets. That was approximately \$142,000 that was mentioned in the message. I just wanted to be sure that the Council is aware that those steps were taken to offset cost increases where we could as we indicated when the Resolution came forward.

Committee Chair Kaneshiro: Council Chair Rapozo.

Council Chair Rapozo: Just so that I understand, the raises have already been implemented after the Salary Resolution?

Mr. Trask: No. The raises would be in effect July 1<sup>st</sup>.

Council Chair Rapozo: Okay.

Mr. Shimonishi: The budget has reflected that and the cuts were put in accordingly into those departments.

Council Chair Rapozo: Every department that benefits from a raise submitted cuts between the March 15<sup>th</sup> submittal and the May submittal to reflect that?

Mr. Shimonishi: Not every department. For example, there are departments, as you heard earlier from the Planning Department, that simply do not have that flexibility outside of salary and benefits. That was one (1) department that could not make the cut. The Office of the County Attorney was another department and the Office of the Prosecuting Attorney was another department simply because their...

Council Chair Rapozo: Out of the five hundred (500) (inaudible), what was the number of cuts?

Mr. Shimonishi: \$142,000 in cuts were made. We also presented during the Salary Resolution, the fact that we went to long-term financing on the gas capture system through a Self-Revolving Fund (SRF) loan, which reduced our expected cost on that by about \$300,000. So that was the additional savings that we had identified.

Council Chair Rapozo: Okay. Thank you.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: I think I feel like we are saying is that this cut is going to make the sky fall, and it is \$566,000. We had a lapse last year of \$14,000,000, the year before that was \$13,500,000, and the year before that was \$14,200,000. You do the math. There is money somewhere. That is the mystery. Yes, you say lapse is not a bad thing. Of course it is not a bad thing. What is a reasonable lapse then? \$12,000,000? \$14,000,000 minus \$12,000,000, you get \$2,000,000, and this is a cut of \$566,000. Nobody is dying. The sky is not falling. There is money somewhere, right?

Mr. Shimonishi: What I am hearing the Council say is that we are still authorized to pay the amounts up to the salary cap in the budget going forward, even though cuts would be made to the specific positions not to reflect that.

Councilmember Kagawa: I think what I am saying that we did not have five (5) votes to reject it, and now after this cut gets approved, you have the option as Mauna Kea has stated numerous times, to find the moneys elsewhere to fund salary increases that you believe are deserving, or if you do not fund those salary increases, people will leave. You have the option. That is how I look at it. You have the option to find the missing \$13,500,000 in your budget. It is somewhere in there. There is \$13,500,000 somewhere in here. It is somewhere and you have got to find \$566,000. I think it is somewhere, so I am ready to vote.

Council Chair Rapozo: I have one (1) more question.

Committee Chair Kaneshiro: I just want to clarify that we are not reducing the line item for the particular position. We are reducing the line item for regular salaries.

Mr. Shimonishi: Excuse me, I would ask for a legal read on that.  
Councilmember Yukimura: Me too.

Mr. Shimonishi: Because the line item itself is comprised of the actual positions. If you are in fact reducing, for example, the Mayor's salary line item that you are actually reducing the Mayor's salary in that line item as well as the Managing Director or whoever was affected by the increases so that the Council actually puts those line item decreases in the salary lines.

Committee Chair Kaneshiro: Councilmember Yukimura and then Council Chair Rapozo.

Councilmember Yukimura: It seems to me that if we do this, it is not money that is unattached to something else. What you are doing is you are cutting something else from the budget that we are authorizing, and so you are not having a balanced budget. That is the mandate of The Charter of the County of Kaua'i, that we have a balanced budget.

Mr. Shimonishi: My understanding is that the Council has to specifically identify the line item that is being cut. Again, if you are saying that this position is not fully funded at this level, then you would actually adjust that position's salary.

Councilmember Yukimura: Committee Chair Kaneshiro, I would like to ask the County Attorney for a legal opinion also, not now, but I think this is a very fundamental issue and it is about the charter amendment that governs the Salary Commission and its operations. I think that kind of understanding of how the budget works, that our Director of Finance has said, shows some of the impacts that need to be considered in developing an opinion about whether the Charter provision is being violated.

Mr. Trask: I would appreciate that. If we can take either a recess on this issue or during the lunch break so I can go look into it.

Councilmember Yukimura: I am not sure that even a lunch break or...this may be more complicated than just a short one, but if you can develop an opinion in that short time, I am fine with that. I think we need some clarity about the legal ramifications of this.

Committee Chair Kaneshiro: We can maybe push this until after lunch and get that legal opinion. My question goes back to Councilmember Kuali'i, as far as making the adjustment, would this be a negative salary line item? How do we do it? Because now I am understanding what Ken is saying. If we are going to reduce regular salaries and it either has to (inaudible) combination of the salaries in the account or are we creating a new line item, which would be like a negative salary line item? We have done negative line items for things like electricity in the past where the Council has done an across the board cut in electricity. I just need clarity on that.

Councilmember Kuali'i: I do not have the answer right now either. I will get back to you.

Council Chair Rapozo: I have a question as it relates to that.

Committee Chair Kaneshiro: Council Chair Rapozo.

Council Chair Rapozo: All of the line items and all of the positions have been changed to show the cap, correct, in the budget? This question would be for the Department of Finance.

Mr. Shimonishi: That is correct.

Council Chair Rapozo: I know the question during the Salary Commission hearing was asked of the Mayor whether or not the intent was to give everybody the maximum or the cap, and the answer as I remember it, was everybody was going to be looked at differently. Am I to assume all of these positions will receive the cap?

Mr. Shimonishi: That would be a question for the Mayor and the Managing Director to address.

Council Chair Rapozo: Maybe just a yes or no.

Ms. Nakamura: Nadine Nakamura, Managing Director. Council Chair Rapozo, I wanted to just clarify that the Deputy Prosecuting Attorneys' salaries will be determined by the Prosecuting Attorney, so that includes more than ten (10) of those positions. The County Attorney will determine the salaries for all of the Deputy County Attorneys. The various Commissions will be doing evaluations of the directors of the Fire Department and the Police Department...

Council Chair Rapozo: Okay. Let me do it this way then...

Ms. Nakamura: ...and so forth. There is very few that actually the Mayor will determine.

Council Chair Rapozo: The few that will be determined.

Ms. Nakamura: It is probably a handful.

Council Chair Rapozo: Will it get to the cap?

Ms. Nakamura: Some of the evaluations have taken place, some will be taking place, but we have until July 1<sup>st</sup> and it does not preclude us if the evaluations are not done by July 1<sup>st</sup>, to do retroactive increases.

Council Chair Rapozo: What is the intent? Was there any direction given to any other departments whether or not to cap or give the cap?

Ms. Nakamura: No directions on the cap. It is left to the Commissions to go through their processes. Some have already done those evaluations and some will be doing it.

Council Chair Rapozo: Okay. Thank you.

Committee Chair Kaneshiro: Are there any further questions for Administration?

Council Chair Rapozo: The only other question is I am bothered that now there is a legal issue because I think Councilmember Kagawa said it best, and I asked for the minutes to be brought from the Salary Commission meetings because it was made very clear to this body by the County Attorney that this Council had the ability or the authority to set the funding. If it is a legal issue now, I am very concerned because that may have impacted the vote back for the Salary Commission and that a problem. That is a major problem.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: I get it too, that Mauna Kea has a salary based budget that does not have much maybe operation type of accounts that he can find little shortages here and there. I think this kind of cut can be dealt with on an individual basis. Mauna Kea could plead his case later as the year went on. Would that not be a solution?

Councilmember Yukimura: Oh my goodness.

Councilmember Kagawa: As he goes halfway through and says, "I am going to run out because I paid my salaries to my attorneys as provided by the three (3) vote Council, I am paying the maximum, and I do not have any of that fat that I talked about." We could look at each department on a case-by-case basis. You have some large departments where there are two (2) department heads. There is guaranteed some fat in there. I am saying I think this is just again, trying to go along the lines of well, you folks went in a sneaky way and got three (3) votes to get your salary raises passed. Well, you folks are going to help us out and meet us halfway and do some work to bring accountability to the taxpayers who are saying you folks are broke, but you folks can give raises for \$566,000. I think we are just saying to meet us halfway and bring some accountability. I think big departments can find that fat because there is fat somewhere. I just talked about it. We can look at the Comprehensive Annual Financial Report (CAFR) for the past twenty (20) years, there is about \$10,000,000 every year. You folks have different interpretations about lapses, but to me, a lapse is you get more revenue than expenses. That is what a lapse is. I do not know, can you do that on a case-by-case basis?

Mr. Shimonishi: Again Councilmember Kagawa, what my position is and what I am saying is I obviously agree with the County Attorney. It is within the Council's authority to establish a budget, to make reductions to any line items, increases, et cetera. But what I am saying is that the actual positions, and my position currently without actually getting the confirmation is that the Council needs to reduce those line items that are in there. If you are saying that you would reduce the Office of the Mayor salary budget, then reduce those amounts within those positions, reduce those amounts within those benefit accounts, et cetera.

Councilmember Kagawa: I got it. That is all you are asking?

Mr. Shimonishi: Right.

Councilmember Kagawa: Okay. I thought we were at the point where no, you folks cannot and have to fund the maximum.

Mr. Trask: No, it is the accounting part of it.

Councilmember Kagawa: Okay.

Mr. Trask: And not the lawyer part. I would just like to add, too...

Councilmember Kagawa: That is reasonable.

Mr. Trask: Yes. To respond to Councilmember Kagawa's statements, we are bringing in money and we do not keep any of that money. When we get collections for dues and fees, it goes to the General Fund. When we foreclose, it goes to the General Fund. We are seeking recovery expenses now. It is the first time ever with \$2,300. We are going. The realizations you see, we do not see. I have said before, we pulled in about \$200,000 plus this year. We have reduced Special Counsel by three hundred percent (300%). I have done everything that has been asked of me. I am not going to plead my case further. I have done it and if it is not satisfactory, well then, it is what it is because I am not going to beg. I am going to work.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: The question is whether the Council can legally budget at a salary that is less than what the salary that is owed or set at. If, say, a department head is not paid the salary that they are owed, do they then sue the County for it? Where does that take us? That is the question.

Committee Chair Kaneshiro: I think that is the million dollar question. If you need time to look at it and we come back after lunch on this item, then we can give you the time rather than trying to answer it up here.

Mr. Trask: Can I frame the issue real quick as far as how I see it, and then I would like to speak with Councilmember Yukimura to make sure we have it right? What we have here is the Salary Commission. As you know, the Resolution, as I stated before, and Charter Section 29. "The Commission's salary findings shall be adopted by Resolution" as it provides. However, if you go Section 19.07A, third paragraph, "Upon the conclusion of the hearings, the council may reduce any item or items in the mayor's proposed budget by majority vote and may increase any item or items therein or add new items thereto by affirmative vote of two-thirds of the entire membership." The laws of statutory construction go from there, you evaluate a charter like you evaluate a constitution, you look for intent as phrased in the language, and you read it so as to effectuate all portions of the document. So that is what I am going to try to be doing over lunch.

Committee Chair Kaneshiro: With that, I was going to say, we will have to withdraw the motion so we can move forward on new things and then after lunch, bring it back in and then we can get the answers to it. Councilmember Kuali'i.

Councilmember Kuali'i: I just want to make one (1) more point to the attorney to make sure it is clear because I think Councilmember Yukimura's question is wrong in the premise because she says can the Council legally, basically undo the salary

that is set by the Salary Commission. It is not the salary that is set. It is the salary cap. Let us just make sure we have that distinction. The budget to pay salaries is between the Administration and the Council. The ability to set a cap is by the Commission with approval or failure to deny by the Council. So the difference between salary and salary cap, which has always been told us to every time during the Salary Resolution. So make sure you make that make that distinction.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: I think Councilmember Kualii makes a good point that the Salary Commission sets a cap; however, the salary provision in the Charter is part of a whole system of salary setting. If the Council sets the salary at below what the process determines, that is, can the Council subvert the process of each commission and each department head to set the salary? If they set it at the current salary and do not allow for any of the discretion that is allowed indeed authorized by the whole salary system, what does that do?

Mr. Trask: I propose this, under Sunshine Law under the rule of two (2), two (2) members of a board can discuss a matter without committing to voting thereto. I highly doubt both of you will commit to vote the same way. So let us go have that discussion at lunch so I can get both sides of issue and make sure I understand it completely.

Committee Chair Kaneshiro: Okay. With that, so we can move forward, Councilmember Kualii, are you willing to withdraw the motion?

Councilmember Kualii: Yes, and if there is going to be any kind of legal opinion or answers to the questions, I want it to be in writing.

Councilmember Kualii withdrew the motion to incorporate salary and related benefits reductions for Salary Commission Resolution Officers and Employees so that each Department will find savings within their own Department. Councilmember Kagawa withdrew his second.

Committee Chair Kaneshiro: Are there any further cuts across the board? No further cuts across the board?

Councilmember Kualii: I have.

Committee Chair Kaneshiro: Councilmember Kualii.

Councilmember Kualii: This proposal has to do with appointed positions that the proposed raises are proposals that automatically follow bargaining unit raises, lump sums, and different mechanisms of bargains increases that happen for the bargaining units, but these are appointed positions. At this time, the Administration just proposes to follow as opposed to treat them differently like we treat positions with the Salary Commission, the highest level positions. Obviously, many or most of these appointed positions are the positions also at the highest level, just below the positions that are covered by the Salary Commission. It effects twenty (20) positions that are all appointed positions.

Councilmember Kualii moved to include a Council budget reduction under salaries and associated benefits for all appointed positions listed on the attachment and not included on the Salary Commission Resolution, at current amounts (no comparable collective bargaining increases).

Councilmember Kualii: So twenty (20) positions for a total proposed increase that is \$45,187.

Councilmember Kagawa seconded the motion to include a Council budget reduction under salaries and associated benefits for all appointed positions listed on the attachment and not included on the Salary Commission Resolution, at current amounts (no comparable collective bargaining increases).

Committee Chair Kaneshiro: Are there any questions or discussion?  
Councilmember Yukimura.

Councilmember Yukimura: I am just trying to understand it. What are you talking about? Are these appointed positions?

Councilmember Kualii: Yes. We have positions in the County that are covered by the Salary Resolution. We have been talking about those fifty (50) or whatever positions and then we have most of the other positions that are covered by bargaining units by Hawai'i Government Employees Association (HGEA), United Public Workers (UPW), State of Hawai'i Organization of Police Officers (SHOPO), and Hawai'i Fire Fighters Association (HFFA). Then there are a few positions such as these twenty (20) positions that are appointed positions. Appointed positions such as, and I do not have the departments here, but Private Secretaries in numerous departments and Commission Support Clerks.

Councilmember Yukimura: What is B&C?

Committee Chair Kaneshiro: Boards & Commissions.

Councilmember Yukimura: Boards & Commissions. Sorry. So you have these Support Clerks, Specialists, and the County Attorney's Private Secretaries. Are these assistants and secretaries to the people that are covered in the Salary Resolution?

Councilmember Kualii: They are not covered anywhere, that is what I am saying.

Councilmember Yukimura: But they are assistants to the people covered...

Councilmember Kualii: Oh, I see what you are saying.

Councilmember Yukimura: ...in the Salary Resolution.

Councilmember Kualii: Maybe. I do not know if we can understand why they are appointed and not otherwise.



Councilmember Yukimura: Yes. You have Economic Development Specialist II, III, and IV. Are you saying that you are not wanting to appropriate moneys that could be given to them in raises because it might track the Salary Commission raises?

Councilmember Kualii: It is not could be. That is proposed to be.

Councilmember Yukimura: Oh, okay.

Councilmember Kualii: They are proposing to fund it.

Councilmember Yukimura: Okay.

Councilmember Kualii: This is not the same as the positions covered by the Salary Resolution.

Councilmember Yukimura: Right.

Councilmember Kualii: I am assuming if they are proposing to have that dollar in there, they are proposing to give raises because they are proposing to follow the bargaining unit raises, which includes a lump sum of \$1,200 January 1, 2017 and then I think some other percentage increase.

Councilmember Yukimura: Are you saying these should not track the collective bargaining increases?

Councilmember Kualii: I am proposing that that not just happen automatically.

Committee Chair Kaneshiro: Councilmember Hooser.

Councilmember Hooser: It sounds like, and correct me if I am wrong, these are positions or people, I should say, that are not protected by any union or bargaining unit and will not get raises, but everyone else will get raises. Normally they would track the raises given by the bargaining unit that is comparable. I cannot support this measure. I think that if their colleagues and other people that these people are working with are getting raises because they are part of a bargaining unit, we should not penalize these other employees just because they are not protected by organized labor. I cannot support that if that is what we are doing.

Committee Chair Kaneshiro: Are there any further questions? I have a question just trying to understand it. Are we trying to reduce the budget by \$45,000 or are we trying to prevent the raises? I may have to ask Human Resources. My question is...

Councilmember Kualii: It is basically a proposal to not fund the raises. If the Administration does it another way, they can, much like the others. It is not a lot of money. It is only \$45,000, but (inaudible) \$20,000 or \$200,000. This is our job. The thing I would say is that this is the limited opportunity. We have heard all the talk about how we do not have control over this and we do not have control over that. I am just using the mechanisms that are in place that we figured out to put before you of what is possible. We have the opportunity to approve or not approve. We have not looked at it this way in the

past because we just assumed that everything that involved a raise was already done either by the Salary Commission, or the bargaining units, or what have you. I am just saying there is a group of employees that are appointed, but the Administration's choice is to just follow. They are not contractually obligated to give the raises, but they just follow, it is in the budget, and it just has gotten approved in the past. Now I am saying, look at it and make a decision to approve it or not approve it. This is your chance. There could be good reasons why you would not approve this denial, this cut, but you need to look at it. That is all.

Committee Chair Kaneshiro: Do you have a question for the introducer or for the Administration?

Councilmember Hooser: I just want to point out that these are appointed positions, but these are not supervisory, they are not directors or deputy directors. These are secretaries and clerks, who work alongside other secretaries and clerks, and should be paid accordingly to the people that they work with.

Committee Chair Kaneshiro: I am going to suspend the rules.

There being on objections, the rules were suspended.

Committee Chair Kaneshiro: I am trying to see how this will all play out. If you reduce the salary for a particular position and the Administration still wants to provide them with that type of money, are they able to take it from the budget and then move it back up to that salary, or if the salary is the reduced, the salary is the salary for the whole year?

JANINE M.Z. RAPOZO, Director of Human Resources: Janine Rapozo, Director of Human Resources. The salary line item is fluid and if they have extra funding in there, they can move it to give them the raise. However, we have budgeted very tight this year and so if every position is filled, every dollar will already be used. So just to clarify, although these positions are not covered by the bargaining unit contracts, they are covered by the executive order that is already in place. If we are going to not be able to give them these salary raises, then we would be violating the executive order that is already in place. I just wanted to clarify that.

Committee Chair Kaneshiro: Councilmember Kualii.

Councilmember Kualii: I want clarification on that executive order because I was under the impression that it was for Excluded Managerial, and that is considered a different category than these appointed positions.

Ms. Rapozo: The executive order covers Exclude Managerial. It also covers excluded members that are not part of the bargaining unit. They may still be civil service, but they are excluded by the nature of their position. Most of the staffing in my office are all excluded from collective bargaining and from the union contract because of the nature of their work. Then there is another category of exempt appointees that is also covered by the bargaining unit. So there are three (3) different categories that are covered by the executive order.

Councilmember Kualii: Can you provide the executive order that shows that these twenty (20) positions are included, because I do know that it was an executive order from five (5) years ago that applied to a set of years and this new year being last year. I thought I read it as covering Excluded Managerial. I went through the reports and found those positions and excluded them from this proposal.

Ms. Rapozo: Okay. We can provide that for you.

Councilmember Kualii: Okay.

There being no objections, the meeting was called back to order, and proceeded as follows:

Councilmember Kualii withdrew the motion to include a Council budget reduction under salaries and associated benefits for all appointed positions listed on the attachment and not included on the Salary Commission Resolution, at current amounts (no comparable collective bargaining increases). Councilmember Kagawa withdrew his second.

Committee Chair Kaneshiro: The motion has been withdrawn. Are there any further cuts across departments? If not, we will take cuts and additions. Councilmember Kagawa.

Councilmember Kagawa: Are you talking about combinations?

Committee Chair Kaneshiro: Combinations; cuts and additions.

Councilmember Kagawa: Okay. Alright, put on your seatbelts.

Councilmember Kualii: We already crashed the car.

Councilmember Kagawa: There is plenty of fat. Just kidding. One of the biggest changes in the Mayor's budget was to move all of the repair & maintenance workers and janitorial from the Buildings Division, which it has been in ever since I remember since my dad was Deputy County Engineer, and going to move that entire unit to the Department of Parks & Recreation. While I agree that the Department of Parks & Recreation, under the Charter, should be responsible for repair & maintenance of park facilities, I do not believe that it makes sense for the Department of Parks & Recreation to take care of non-park facilities repair & maintenance. Therefore, I am proposing that we move the entire shift back to where it was in the Building Division, and instead, I have a breakdown of how I would recommend, and I hope to have four (4) votes to recommend that perhaps we can begin the shift and the splitting of the Department of Parks & Recreation under the Buildings Division. I want to put this up on the overhead if I can.

Councilmember Kagawa moved to eliminate the Facilities Maintenance Division from the Department of Parks & Recreation (including the Building Manager in the Department of Parks & Recreation Administration Division) and add the budgeted positions, associated costs, and level text back to the Building Repair & Maintenance Division and Janitorial Division under the Department of Public Works, with the recommendation that the Administration consider a division of responsibilities following the proposed table of organization that is attached hereto and after further

consultation with affected supervisory employees, seconded by Councilmember Yukimura.

Committee Chair Kaneshiro: I just also want to make clear that are now in the cut and add portion of our budget. So everything that goes on now is going to need five (5) votes.

Councilmember Kagawa: Here is the breakdown, if I can get this. Councilmembers, this is on the back page. We are going to put it up. My reasoning...

Councilmember Hooser: I have a question for the County Attorney at some point.

Committee Chair Kaneshiro: Okay. We will go through this first.

Councilmember Kagawa: My reasoning for the change is that we have an EM-7, Buildings Division Superintendent; we have an EM-5, Building Maintenance Manager; and we have another manager under them that are all in their job description (inaudible) says that they will (inaudible) the repair and maintenance. (Inaudible). My feeling was that (inaudible) responsibilities of these people under their job description and shifting it under to the Department of Parks & Recreation and (inaudible). I have concerns with that because what are the people that we are taking away responsibilities from going to do? They are getting paid big money to (inaudible) repair and maintenance for all these years, and we are going to take away all the experience and management duties of the Building Division Superintendent? I think that is pulling the trigger a little quick. My proposal is that we have the County Engineer, the Deputy County Engineer, and we have the Code Enforcement, which would be handled by the Buildings Superintendent who will also oversee both. So his name should be right under the Deputy County Engineer, but he will handle the Code Enforcement and he will supervise both the Building Division Maintenance and the Department of Parks & Recreation Maintenance, which would be split in half. They will be split up with each side having a Building Maintenance Supervisor that will be Brian Inouye. The Department of Parks & Recreation Maintenance side will be Warren Koga now. They both will have office managers. Under Maintenance, they have five (5) supervisors each, five (5) maintenance workers under the Building Division Maintenance, seven (7) maintenance workers under the Department of Parks & Recreation; one (1) janitorial supervisor each; and twelve (12) janitors under Building Division Maintenance and ten (10) janitors under the Department of Parks & Recreation side. This was based on the information provided on the park and buildings list that was provided by the Department of Public Works. I think this will bring accountability to both sides. I think we finally will have the Department of Parks & Recreation hopefully working in coordination with the Building Superintendent to have the Department of Parks & Recreation take care of parks, the Building Division side take care of non-parks, and hopefully it will bring more accountability and better management to each side. With having that split, you need working supervisors who would be the point persons for the carpentry side, electrical side, and the plumbing side. Yes, it does include a little bit more funding. I believe it amounts to about \$3,000 for each working supervisor, but I believe that cost is well-worth it because it follows what the Charter and voters wanted, which is to have the Department of Parks & Recreation take care of parks, not the Department of Parks & Recreation rely on the Building Division to assist them. I think it was difficult to split it in half from the legislative side knowing all of the equipment, materials, and

supplies. I think it is easier to keep it as-is for now and start this split internally, and perhaps next year you folks will have a better plan to propose to the Council where we could pull the Department of Parks & Recreation out of the Building Division completely, and leave buildings repair & maintenance under the Building Division. That is my proposal. Are there any questions?

Committee Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: I appreciate the presentation. This has to be a discussion with our Administration. I just want to be sure we are not crossing the boundaries in terms of structure and administration. I can see where the transfer of the budget items are appropriate. So I just want to make that clarification and make sure we are not crossing those boundaries of separation. Thank you.

Committee Chair Kaneshiro: Are these questions for the introducer or for the Administration?

Councilmember Yukimura: The introducer.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: I too appreciate the thought that has gone into this. I am not clear. Are you proposing this with budgetary issues or are you proposing this in terms of positions? Well, if you propose new positions, that will have a budgetary impact. Are you saying let us go back to what was and you want the Administration to consider your proposal and come back?

Councilmember Kagawa: Exactly. We are just putting it back where it was with our recommendation to satisfy what they wanted. They wanted to follow the Charter. They did not consult and get to an agreement with HGEA and UPW, which recommended keeping the whole group under the Building Superintendent, because they said in his job description, he oversees them. They did not approve of moving him, especially moving the Building Division side under the Department of Parks & Recreation.

Councilmember Yukimura: Okay.

Councilmember Kagawa: They said it is okay if the Department of Parks & Recreation side only moved over and the Building Division side was kept in, but HGEA and UPW opposes moving buildings repair & maintenance under the Department of Parks & Recreation.

Councilmember Yukimura: Okay. I too had concerns about having the Department of Parks & Recreation take care of buildings that are not under their jurisdiction. I have a proposal that would just move the positions back, which is similar to yours. I feel like it is the Administration's *kuleana* to go back to the drawing board and try to figure this thing out. I do not mind then, considering your proposal. There would need to be cost factoring in here so we would know the cost implications. I also suggested an Assets Management Division that should be looked at, too. Basically, we are respecting the division between administration and legislative, and we are just giving some suggestions. But for the purposes of the budget, we are restoring the budget to the original or last year's arrangement. Is that what we are doing?

Councilmember Kagawa: Yes. I am putting it back the way it was.

Councilmember Yukimura: Yes.

Councilmember Kagawa: I am recommending a split. My addition at the Council is we are trying to approve that they can move the workers into supervisors to create the division.

Councilmember Yukimura: In this budget, you are actually creating the arrangement you are suggesting?

Councilmember Kagawa: Yes. I am trying to get approval from this body that will approve that they can move the supervisors so that we can do the split. If you do not approve of the supervisors, then you are not approving of this Administration to do a split of any kind. It will just stay the same the way it was.

Councilmember Yukimura: Okay.

Councilmember Kagawa: If you folks are fine with that, I am fine with that.

Councilmember Yukimura: Just to let everyone know, I have another proposal that would just put back the thing to status quo and ask the Administration to rethink all of this.

Councilmember Kagawa: Then that would be no change and they are recommending a change. They wanted parks under the Department of Parks & Recreation as the Charter states, not as I state, but as the Charter states.

Councilmember Yukimura: I know.

Councilmember Kagawa: They want the Department of Parks & Recreation to take care of parks maintenance. My recommendation covers that idea or philosophy.

Councilmember Yukimura: Okay. Thank you.

Councilmember Hooser: I have a question.

Councilmember Kagawa: Yes.

Councilmember Hooser: Did you run this by the County Attorney?

Councilmember Kagawa: I did not run this by the County Attorney.

Councilmember Hooser: Okay.

Councilmember Kagawa: I think it is the same move as what they proposed. They are proposing to put building repair & maintenance under the Department

of Parks & Recreation, and under the Charter, the Department of Parks & Recreation is not obligated to take care of buildings.

Councilmember Yukimura: That is correct.

Councilmember Kagawa: They are only required to take care of parks.

Councilmember Hooser: I guess the reason I am asking you is because with the flow chart of management and the suggestion to rearrange management and rearrange departments, seems to certainly be outside of the normal budget process. The Charter clearly says the Council and its Members not interfere with the administrative process as delegated to the Mayor. It sounds like this Council straying is into the administrative role, outside of the legislative roles. That is what it sounds like and that is why I thought that we should hear from the County Attorney before we go much further.

Councilmember Kagawa: In the Mayor's original and supplemental budgets, I think he offered a huge change. I think I am not a rubber-stamp. I am proposing an improvement to the process that both unions agree with. It is not just my idea. The unions agree that this is not appropriate to put buildings maintenance under the Department of Parks & Recreation, period.

Councilmember Hooser: I think though, that it is the legal purview of the Administration to negotiate with the unions, not the legislature to override the Administration on behalf of the unions. That is why I think the County Attorney should address this.

Committee Chair Kaneshiro: I will suspend the rules.

There being no objections, the rules were suspended.

Committee Chair Kaneshiro: Are there any questions for the Administration or the County Attorney? Councilmember Hooser.

Councilmember Hooser: I am assuming that the County Attorney heard the discussion.

Mr. Trask: Correct.

Councilmember Hooser: Okay. If you could comment on whether or not the Council is within its legal purview with what has been presented in terms of rearranging management positions and suggesting department reorganizations.

Mr. Trask: The executive authority is vested in the Office of the Mayor. The Mayor is charged with making sure that all daily operations are managed honestly, efficiently, lawfully, et cetera.

Councilmember Hooser: Could you speak up, please?

Mr. Trask: Yes.

Councilmember Hooser: The audience also cannot hear you, I cannot hear you, and people at home are struggling.

Mr. Trask: Sure. Can you hear me?

Councilmember Hooser: Yes.

Mr. Trask: Alright. The Mayor does executive actions and the Council does legislative policy and controls the budget. Budgetary actions that have an administrative effect are appropriate; however, actions that are purely executive in nature, such as reorganizing and everything like that, are outside of the legislative body's purview and fall within the Mayor's. I do not fully understand specifically how all of this works. As was said, I was not consulted. I am looking at the spreadsheets right now and trying to understand it. So beyond that, I can just say generally, executive does executive and legislative does legislative, which includes purse strings and under Section 3.18, the legislative body is prohibited from interfering with administrative processes.

Councilmember Hooser: I have a follow-up if I could. Are you able to review the action that is being proposed and let the Council know whether it is legal or not for us to take the action?

Mr. Trask: At this time, no. I would need more time.

Councilmember Hooser: How much more time would you need?

Mr. Trask: Well again, I would ask the lunch opportunity. I would like to speak with Councilmember Kagawa further so I can understand it.

Councilmember Hooser: Okay. Thank you.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: Just conceptually, if the proposal is to move positions unilaterally, that is the Council is making this move, not the Administration, move positions from departments to departments, is that an executive or legislative prerogative?

Mr. Trask: When you say "move positions," you mean to order positions from one department be put in another department?

Councilmember Yukimura: Correct.

Mr. Trask: As opposed to...without more, it would seem so, yes.

Councilmember Yukimura: Yes, it is an executive?

Mr. Trask: To move positions as opposed to funding positions...



Councilmember Yukimura: Correct.

Mr. Trask: ...is an executive action. To fund the positions though, is a legislative one.

Councilmember Yukimura: Right.

Mr. Trask: Right now, that is kind of question. What is it, how is it articulated, and how is it classified? That is what I need to understand further.

Committee Chair Kaneshiro: Obviously, we have a lot of questions to the County Attorney. If we need to, my thing would be that we withdraw this. If there are any other proposals that might need the County Attorney, then we will try and get through whatever proposals we have now, and if we get done early, we will take an early lunch, and maybe we will come back at 1:30 p.m. to allow enough time to vet it out. If there are any other proposals also that might need legal answers on, I would say bring it to the County Attorney. If we do not have any more cuts, we will take an early and long lunch to try and get the answers to these questions. When we come back, we will have answers from the County Attorney, we will be able to make the decisions, and continue to move forward with these types of proposals.

Councilmember Kagawa: I have a question.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: Mauna Kea, I have a question for you. Did you review the original budget submittal and the supplemental budget submittal, and rule whether or not it was legal or abiding by the Charter to move the entire building and repair and maintenance from the Buildings Division under the Department of Parks & Recreation knowing that the Charter specifically says that the Department of Parks & Recreation shall be in charge of repair & maintenance for all parks facilities? I do not believe this County building is a park facility and neither is the Police Department.

Mr. Trask: Thank you for the question. Again, this goes to executive purview. Under Section 23.14, the proposal by the Administration as articulated to me, would be legal under the Charter under the coordination of work provision. Currently, the Department of Public Works takes care of parks. The executive can coordinate work, subject to the agreement of the department heads, to coordinate, look for efficiencies, et cetera, which is my understanding of what it was.

Councilmember Kagawa: My problem with that is that the Building Division was grandfathered-in doing it for, I do not know, one hundred (100) years or whatever taking care of both buildings and parks, and then the voters voted-in the Department of Parks & Recreation. It was not like we created something new. The Department of Parks & Recreation came on-board. If we wanted to abide by the Charter, we would have separated the building and repair, but it was grandfathered in there. Now, we are not grandfathering anymore. We are doing something totally different knowing that it violates the Charter.

Mr. Trask: Under Section 23.14, it states "The head of any department may empower or require an employee of another department, subject to the

consent of the head of such other department, to perform any duty which he might require of the employees of his department,” and “The mayor shall devise a practical and working basis for the cooperation and coordination of work by the various departments, eliminating duplication and overlapping of functions, and shall have the various agencies cooperate with each other in the use of employees, land, buildings, quarters, facilities and equipment.” You are correct. The Department of Parks & Recreation used to be under the Department of Public Works. There are residual redundancies, which is another reason why when the Charter is amended, you really have to look at it and make sure that when it is amended, it is clean going forward, which is a whole other discussion. In looking to decrease overlapping, increased responsiveness, and repair of our parks maintenance facilities. For example, in learning about this program, I was informed fifty to eight percent (50-80%) of all of the work orders to the Department of Public Works, Building Division actually goes to the Department of Parks & Recreation, which under the Director’s reasoning, is why facilities takes so long, like Po’ipū Beach Park to repair, like Kīlauea Gym, and whatever else. So that is the Administration’s purview. Under Section 23.14, it acts as a vehicle to keep it legal under the Charter. That is the best I can describe it.

Councilmember Kagawa: That is a good answer.

Committee Chair Kaneshiro: Are there any further questions?

LEONARD A. RAPOZO, Director of Department of Parks & Recreation:  
For the record, Director of Parks & Recreation, Lenny Rapozo. Councilmember Kagawa may have been in contact with the unions, but for the most part, our contact with the unions that when or if the budget stays and we are given the authority to manage the building facilities maintenance, the concern from UPW was the overtime policy, the uniform policy, and the organization as to how it was represented. I had mentioned earlier when we did have this discussion during our budget reviews or budget presentations, that we have been in contact. For the most part, the unions have not said that they were against it to me. If Councilmember Kagawa has had a different conversation, then that is okay, but HGEA and UPW...because there is really no change from the UPW side in our organization in terms of who they will report to. The only ones affected again, was HGEA with two (2) HGEA members. I just wanted to make that clear.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: I have a letter from Mr. Dill. I will have to go look for it. In the HGEA’s letter as the union agent, he said that he would prefer we split it and leave buildings under the Building Division and parks under the Department of Parks & Recreation. I think that is opposing what you did. You folks moved everything under the Department of Parks & Recreation. So I would not say they agreed with it. For UPW, they also agreed that a split would be good in complying with the Charter. If they are agree that the Charter is the accurate method of following, I would agree with them as well.

Mr. Rapozo: Councilmember Kagawa, I do not doubt your discussion, but it would have been nice for them to have told us that since we have had meetings with them.

There being no objections, the meeting was called back to order, and proceeded as follows:

Committee Chair Kaneshiro: With that, obviously we have three (3) things that are going to need to be worked on by the County Attorney before we come back from lunch. Are you open to withdrawing your motion and then we can move forward?

Councilmember Kagawa withdrew the motion to eliminate the Facilities Maintenance Division from the Department of Parks & Recreation (including the Building Manager in the Department of Parks & Recreation Administration Division) and add the budgeted positions, associated costs, and level text back to the Building Repair & Maintenance Division and Janitorial Division under the Department of Public Works, with the recommendation that the Administration consider a division of responsibilities following the proposed table of organization that is attached hereto and after further consultation with affected supervisory employees. Councilmember Yukimura withdrew her second.

Committee Chair Kaneshiro: Let us continue to move on. Again, the plan is we will get maybe...we will see where we are at. I am thinking that the County Attorney is going to need some time and if somebody could bring him lunch too, because he is probably going to be working through lunch, trying to get his opinions out. Let us continue to move on. Are there any more cuts and additions together? No more cuts and additions? All of the cuts and additions that we have seen so far balance each other out, so let us go into additions.

Councilmember Kagawa: I have one.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: Again, these all take five (5) votes. Actually, can I ask that we do some of the bigger (inaudible)? I believe we have some bigger additions like the County...

Council Chair Rapozo: I have one for \$35,000,000.  
Councilmember Yukimura: Second.

Council Chair Rapozo: I passed that around yesterday. It was just to watch their reactions. Councilmember Kualii got it last night when he was dreaming and flipped out like, where are we going to get the money from? These are the auditor funds that were removed yesterday. As I said, it would be coming with a companion addition. It is the same amount, \$366,969, for performance audits in the Council Services budget.

Council Chair Rapozo moved to add \$366,969 to the Office of the County Clerk, Council Services Division for Other Services, Performance Audits, seconded by Councilmember Kualii.

Council Chair Rapozo: That is my only add.

Committee Chair Kaneshiro: Again, I know we have these big additions from yesterday's meeting. I would rather get the big additions out so we can get a truer balance of what our balance is. I also have the addition for Unit 14, which is going to be coming up. I just want to true-up the balance so we do not have a very big balance to add to. Is there any discussion on this? I know we had the discussion on it when we made the cut yesterday. Is there any further discussion on this from the Members? Again, this is going to take five (5) votes. Can I get roll call vote, please?

The motion to add \$366,969 to the Office of the County Clerk, Council Services Division for Other Services, Performance Audits was then put, and carried by the following vote:

FOR MOTION:	Chock, Hooser, Kagawa, Kualii, Yukimura, Rapozo, Kaneshiro	TOTAL – 7,
AGAINST MOTION:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Ms. Fountain-Tanigawa: Seven (7) ayes.

Committee Chair Kaneshiro: Okay. Then I have a big one, too. It is the Unit 14 increases that we have previously voted on and should be coming up within the next year. I do not want us to see that we have all of these cuts and our unassigned fund balance is big when I think it is about \$433,000.

Councilmember Yukimura moved to add funding for the Unit 14 Collective Bargaining Agreement, seconded by Councilmember Kualii.

Councilmember Kualii: I have a question.

Committee Chair Kaneshiro: Councilmember Kualii.

Councilmember Kualii: What did you mean when you said, it should be coming up in the next year?

Committee Chair Kaneshiro: We voted on it.

Councilmember Kualii: July 1<sup>st</sup>?

Committee Chair Kaneshiro: It will be effective July 1<sup>st</sup>.  
Councilmember Kualii: Thank you.

Committee Chair Kaneshiro: Councilmember Hooser.

Councilmember Hooser: I believe this is the same ones that have not been passed by the Maui County Council.

Council Chair Rapozo: It has passed.

Councilmember Hooser: It has passed?

Council Chair Rapozo: Maui did pass it.

Councilmember Hooser: Okay.

Councilmember Kagawa: One (1) more reading.

Councilmember Hooser: One (1) more reading?

Councilmember Kagawa: Yes.

Committee Chair Kaneshiro: Did we pass it?

Council Chair Rapozo: Yes. We are done.

Committee Chair Kaneshiro: I believe we passed it and it did not have a chance to get incorporated. I think we passed it last week, so it did not have a chance to get incorporated into the supplemental budget. This add is there because it should actually be in there. It is something that is coming up anyway. Do we have any discussion on it?  
Councilmember Kualii:

Councilmember Kualii: My only discussion and point is, was it a matter of timing that it was not included in the supplemental?

Committee Chair Kaneshiro: Yes. I believe...

Councilmember Kualii: It could not have been?

Committee Chair Kaneshiro: I believe we voted on it after the supplemental budget was done. They could not incorporate it until the voting was completed. It was just a timing issue.

Councilmember Kualii: It was our final vote, but the amount was already in place.

Committee Chair Kaneshiro: We knew what amount was, but they could not put it in until our final vote was done, and that happened after their supplemental budget.

Councilmember Kualii: They could have planned for it. We are paying for it.

Committee Chair Kaneshiro: Is there any further discussion?

Councilmember Kagawa: Yes.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: I am supporting this. I do not think the Fire Department should be paying something that was not included in the supplemental budget, and it is nobody's fault. Maui is going to be approving it on its final reading, I believe, next week. There were a lot of lifeguards there Maui because they knew that Maui was the last on one and there were a lot of lifeguards that showed up. So it passed committee. My only concern is that this is a big one and I was hoping that we would have at least \$1,000,000 or I was hoping for \$2,000,000 to put into some additional road repaving. As we make these large additions, we just start wiping it out. We are going against what we said. We said we will try and find some money and show improvements without adding taxes. I am just getting concerned if we have any more large additions that we will basically come up with a wash budget with no significant improvements to repaving.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: The lifeguards were really left in the dust during the time when the State and the County were going through very difficult budgetary issues. While public safety, which includes them, but the public safety in police and fire were allowed to keep their raises, which I think were eight percent (8%) compounded for two (2) years, the lifeguards were not. They really deserve this increase and it brings them more up to par. We all voted for that basic approval. We need to put our money where our mouth is and do the money part now.

Council Chair Rapozo: I have one (1) comment.

Committee Chair Kaneshiro: Council Chair Rapozo.

Council Chair Rapozo: This is a really broad comment to everybody; fire, police, lifeguards, and everybody. I have been pounding this in. The Transient Accommodations Tax (TAT) is so vital. It is so important. Again, I hate to keep saying this, but this should have been TAT money paying for this. It should have been. I know the lifeguards on Maui lined the street with signs and all of that, but I did not see anybody at the Legislature. Next year, we have to go strong. It was just me and Mayor Carvalho. Most of the time, it was just me and Mayor Carvalho and they could never see me because he stood in front and they only saw Mayor Carvalho. Seriously. We have to focus on that because this is the kinds of expenditures that those funds should be going to. As Councilmember Kagawa said, this is actually potential road paving money, which I fully support, but at the end of the day, we have got to get our TAT so that it is not as painful when we do this process. I just wanted to make that comment. Thank you.

Committee Chair Kaneshiro: Is there any further discussion? Again, this is truing up our financials. This is what it is. This money would have come in as a money bill. If we did not include it now, it would come in as a money bill and get taken out of the Unassigned Fund Balance or whatever balance we have left. This is basically truing up our financials as we are moving forward towards July 1<sup>st</sup>, and there is really nothing...we all agreed on this Unit 14 collective bargaining and it has to be incorporated. It is what it is. We worked hard to do cuts and there is other money that still has to be accounted for. With that, we need five (5) votes.

Councilmember Kualii: I have discussion.

Committee Chair Kaneshiro: Councilmember Kualii.

Councilmember Kualii: After you made that comment, it makes me think that maybe it should come later as a money bill because then it would come out of moneys that we are not budgeting right now that, I think, should have been budgeted by the Administration. We have actually had to make the cuts to come up with this \$400,000 for something that we knew was happening. Everybody knew this was happening. Only Maui, which they only have one (1) vote for the statewide approval. So maybe it should come as a money bill because then it would come as them having to find the money. Right now, we found the money.

Committee Chair Kaneshiro: In the end, it will end up coming from the Unassigned Fund Balance.

Councilmember Kuali'i: Right, which is more efficient.

Committee Chair Kaneshiro: They cannot budget for it if it is not completed. That is all that came down to, was timing.

Councilmember Kuali'i: Yes.

Committee Chair Kaneshiro: Can I get a call vote?

The motion to add funding for the Unit 14 Collective Bargaining Agreement was then put, and carried by the following vote:

FOR MOTION:	Chock, Hooser, Kagawa, Kuali'i, Yukimura, Rapozo, Kaneshiro	TOTAL – 7*,
AGAINST MOTION:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

(\*Pursuant to Rule No. 5(b) of the Rules of the Council of the County of Kaua'i, Councilmember Kuali'i was noted as silent, but shall be recorded as an affirmative for the motion.)

Ms. Fountain-Tanigawa: Seven (7) ayes.

Committee Chair Kaneshiro: Is that our true balance?

Councilmember Kuali'i: Based on what was approved so far?

Committee Chair Kaneshiro: Are there any other additions?

Councilmember Yukimura: I have a small one for \$50,000.

Committee Chair Kaneshiro: Councilmember Kagawa and then Councilmember Yukimura.

Councilmember Kagawa: Thank you, Chair. I had a late request from Kaua'i Senior Softball. They are running into a deficit going into the State tournament, which they will be hosting again. They host it every four (4) years. Hats off to the Department of Parks & Recreation. They always do a fabulous job working with the seniors and hosting this enormous tournament. It is projected to have sixty-four (64) teams in the tournament. I think fifty-four (54) teams are from O'ahu and the rest are from the other islands. It brings in huge amount of supporters, fans, and it definitely does a real positive experience for our tourism industry during the August 2<sup>nd</sup> to August 4<sup>th</sup> weekend. They made a request and said that it would be wonderful if the County could fill the void in their budget. They actually asked for \$10,000, and I told them that we would be offering \$7,500. They said that would be great. I saved \$2,500, so I would like to propose that.

Councilmember Kagawa moved to add funding in the amount of \$7,500 in the Office of Economic Development, Grant-In-Aid to Kaua'i Senior Softball for the Hawai'i State Senior Softball Tournament, seconded by Council Chair Rapozo.

Committee Chair Kaneshiro: I am going to take a real quick recess just to confirm our balance that is on the board.

There being no objections, the Committee recessed at 11:32 a.m.

The Committee reconvened at 11:37 a.m., and proceeded as follows:

Committee Chair Kaneshiro: Welcome back. Sorry, it was just a mistake on my end. I am looking at the numbers too well. I know we made some big adjustments, but the number showing now shows that there is still \$355,000 worth of cuts. I was thinking we were chasing \$355,000. We went back. I got it now. So that is what we are working off of, and that is the correct number. Councilmember Kagawa has a proposal.

Councilmember Kagawa: Yes. I am going to withdraw my motion because I just discovered...thank you, Lenny, that the Department of Parks & Recreation has \$5,000 and they are donating the balls too. So there is sufficient moneys. The seniors had contacted me hoping that I would approve that. I thought they wanted me to do it. So therefore, I am going to be withdrawing my motion.

Councilmember Kagawa withdrew the motion to add funding in the amount of \$7,500 in the Office of Economic Development, Grant-In-Aid to Kaua'i Senior Softball for the Hawai'i State Senior Softball Tournament. Council Chair Rapozo withdrew his second.

Committee Chair Kaneshiro: I think this is the last item we well take. We will take lunch right after this and we will come back. I will see if there are any more additions after this. Councilmember Yukimura.

Councilmember Yukimura moved to add \$50,000 for the Office of Economic Development, Grant-In-Aid for West Kaua'i Mauka Farm and Food Center – Iwikuia, seconded by Council Chair Rapozo.

Council Chair Rapozo: I have no idea what that is, but she can explain it.

Committee Chair Kaneshiro: Okay.

Councilmember Chock: Chair, I have to recuse myself from this one.

Committee Chair Kaneshiro: Okay.

Councilmember Yukimura: Can you make that public?

Councilmember Chock: I thought I did. I will have to recuse myself from this item, as I am on the Board for this organization.

*(Councilmember Chock was noted as recused.)*



Committee Chair Kaneshiro: Again, this takes five (5) votes to pass.  
Councilmember Yukimura.

Councilmember Yukimura: Yes. I was at the West Kaua'i Business and Professional meeting a couple of weeks ago, and there was a really amazing presentation by three (3) gentlemen who have a proposal to develop an agricultural center on the west side in the works. They are in discussions with Scott Enright, who is the Chairman of the State Agricultural Department. It is for a Makai and Mauka Farms. It would be on State owned lands and they do not have the permission yet, but that is what they are working with the Agricultural Department on. They would train young farmers and there has been a real concern about whether there are young farmers. They have a very amazing business plan, which I will pass around. The three (3) gentlemen are Josh Morey, Chris Kaiakapu, and Clint Schneider. They are very imbedded in the west side community. They have a really big vision to be a living *ahupua'a* model grounded in the *ike kupuna*, which is ancestral knowledge, incorporating modern technology to serve as an educational and cultural resource utilized for sustainable food production, wellness, and community enhancement to benefit West Kaua'i and future generations.

Committee Chair Kaneshiro: Okay.

Councilmember Yukimura: They are highly educated. Josh is a professor and Clint is both a minister and a youth worker. They are just doing very good things. This \$50,000 is just a small portion of their budget, but it would show County support for something that, I think, we have all been wanting. We have supported the agricultural park on the north shore, but we do have a vision for an island wide agricultural park system, and we need something on the west side that is going to be producing food. This is the proposal that would do it.

Committee Chair Kaneshiro: Okay. Is there any discussion by the Members?

Council Chair Rapozo: I have a quick one.

Committee Chair Kaneshiro: Council Chair Rapozo.

Council Chair Rapozo: Are these people farming now? Are they farmers?

Councilmember Yukimura: They have a farming background.

Council Chair Rapozo: What kind of background do they have?

Councilmember Yukimura: Let me read through here.

Council Chair Rapozo: Then I have a question for George if he is even familiar with this project.

There being no objections, the rules were suspended.

Committee Chair Kaneshiro: I probably have the same question about why does it not get vetted through the Office of Economic Development?

Council Chair Rapozo: Well again, the north shore farm stewardship agreement, I thought, was going to be the model going forward. I do not want to see ten (10) models of farming operations scattered around the island.

GEORGE K. COSTA, Director of the Office of Economic Development: For the record, George Costa, Director of the Office of Economic Development. To answer the question, I was made aware of the project, yes.

Council Chair Rapozo: How much do you know about the project? It is enough to manage the project?

Mr. Costa: Not yet. I have not fully...

Council Chair Rapozo: Yes, I figured you just got it just like we did.

Councilmember Yukimura: Given their background, I do not know that it will take that much management like the north shore one.

Council Chair Rapozo: Thank you.

Committee Chair Kaneshiro: Is there any further discussion? I think Council Chair Rapozo got his answers already. Is there any further discussion from the Members or questions for the Administration? Is there any final discussion before we take the vote? Councilmember Yukimura.

Councilmember Yukimura: Clint Schneider is an arborist. He has worked on several farms growing 'ulu, 'ōlena, ginger, and raising poultry for eggs. He has been certified in permaculture and he has worked on projects in sustainable agriculture.

Committee Chair Kaneshiro: Are there any further questions? Councilmember Kualii.

Councilmember Kualii: I am really sorry, it is just a procedural thing. I submitted the excuse letter and I made a mistake. It should have been for 11:45 a.m. because I have to run out the door.

Committee Chair Kaneshiro: Okay.

Councilmember Kualii: So I am going to be excused from this vote.

Committee Chair Kaneshiro: Okay.

Mr. Costa: Can I just add something?

Councilmember Kualii: If you take longer, I have more questions.

Committee Chair Kaneshiro: I am ready to vote on it.

Councilmember Kagawa: I am ready to vote.

Councilmember Kualii: I am not ready to vote.

Council Chair Rapozo: Are we back to discussion?

Council Chair Rapozo: Yes.

There being no objections, the meeting was called back to order, and proceeded as follows:

Council Chair Rapozo: Right now, right this second, I got this. I do not have a clue who these gentlemen are and I am sure they are qualified. But this is how I see giving away \$50,000, they formulate a plan, business plan, farming plan, crop plan, and all of these things; they come with their stakeholders to OED or come to the County at some point, the Mayor or whoever; you folks get buy-in from the Administration; and then you folks come and present the plan like we did with Kilauea. That is how I give away \$50,000. Not just, I have three (3) gentlemen, they are experienced, they have Master's Degrees, they need \$50,000, and I think it does not really take much managing. No.

Committee Chair Kaneshiro: Councilmember Hooser and then Councilmember Kualii.

Councilmember Hooser: I would like to suggest that we have this discussion when we are not all rushed, perhaps after lunch. I think there are other ways to approach this issue. I think Councilmember Yukimura is absolutely correct. We need to have some farming opportunities on the west side of Kauai. There is State land there, there are lots of earnest people in our community who want to start farms, and perhaps another way to approach it might be to allocate \$100,000 to the Office of Economic Development for them to have in place to review grant proposals like this, but dedicated towards the west side and towards small emerging farms, things like that. That is the proposal that I will be making depending on the success or not of this proposal after lunch.

Committee Chair Kaneshiro: I am going to go to Councilmember Kualii and actually, we are going to run out of time. I know it will take five (5) votes. We have people gone already. Councilmember Kualii and then we are going to take lunch. It will be a long lunch. We will come back at 1:30 p.m. to give the County Attorney enough time to hopefully get us his opinions and then we will be ready to work again.

Councilmember Kualii: If we are definitely coming back, I will ask my questions later.

Committee Chair Kaneshiro: Okay. With that, we are going to take a long lunch. Councilmember Kagawa.

*(Councilmember Kualii was noted as excused.)*

Councilmember Kagawa: Yes, but do we not need five (5) votes to pass this? I think we are wasting time because I am with Council Chair Rapozo, this thing is not

ready. It is not ready. \$100,000 grant to the Office of Economic Development without knowing anything, I cannot support either.

Councilmember Hooser: Excuse me. It is not \$100,000 to the Office of Economic Development. The proposal is a \$50,000 grant to a farming proposal. My suggestion was that depending on what happens to this proposal, that we possibly provide the Office of Economic Development with a pool of funds to then evaluate farming proposals on the west side. That was a secondary thought.

Committee Chair Kaneshiro: That would be a future proposal coming through.

Council Chair Rapozo: That is much more palatable for me so there is a vetting process. This earmarks the funds. I cannot support that. I have no clue. I do not have enough time to read that proposal and I do not enough time to validate it. I think Councilmember Hooser brings up another opportunity where let we OED decide, if in fact the body feels that is where it should be, then I am much more inclined to listen to that argument.

Committee Chair Kaneshiro: Being able to count the votes, I think we probably can go forward on it. It needs five (5) votes, Councilmember Chock is recused, and so it only takes...

Councilmember Kagawa: Councilmember Kualii would be a yes.

Council Chair Rapozo: But Councilmember Chock would not be recused if it was a pool of funds.

Committee Chair Kaneshiro: Yes, but we are voting on this one.  
Councilmember Yukimura.

Councilmember Yukimura: I would like not to have a rushed discussion. If we can just recess and come back when everybody is around the table.

Committee Chair Kaneshiro: It is not a rushed discussion. I know how I am voting on it already and I am open to the discussion.

Councilmember Yukimura: Okay.

Committee Chair Kaneshiro: If people are ready to vote on it, I am ready to vote on it.

Councilmember Yukimura: Okay, then I want to discuss it.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: We gave \$100,000 to the Kilauea Agricultural Park. It was called "agricultural park" at that time. They did not have a business plan. They did not have any kind of plan at all when we gave it to them. I do not even know if they have a business plan right now, but these people do. Let us be consistent in the criteria that we use.

Council Chair Rapozo: Okay, let me just say this.

Committee Chair Kaneshiro: Council Chair Rapozo.

Council Chair Rapozo: You talk to George at lunch, have George come back and give me his commitment that he is going to see this through like he did with Kilauea, and I will support it. It is that simple. This is apples and oranges.

Councilmember Yukimura: Okay.

Council Chair Rapozo: George did not even know what this project was about. The Kilauea one, he did. He worked with them. How many hours did you put in it? Hundreds of hours. It is a different scenario. It is not the same, and that is where I am at.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Yukimura: So let us come back after lunch.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: Why is it rushing if I know that the plan is not ready to be funded with taxpayer money? Do you want to just delay it knowing that I do not support it? Is it your way of dealing with not having the votes? I think it is silly.

Councilmember Yukimura: I am sorry.

Councilmember Kagawa: I do not support your plan. It is not ready.

Councilmember Yukimura: That is fine. I respect your position. I respect it and you have the right to be where you are, but we did not have the full discussion. Councilmember Kualii said he wanted to ask questions after lunch. So you can vote how you want to after lunch. Now, Council Chair Rapozo has said talk to George and after lunch come back. I would like that opportunity, too.

Committee Chair Kaneshiro: Again, his vote will be a yes because he is not here to add it.

Councilmember Yukimura: No, that is not true.

Council Chair Rapozo: No. He is excused so his vote does not count.

Committee Chair Kaneshiro: Okay.

Councilmember Yukimura: Council Chair Rapozo just said talk to George so after lunch he can come back.

Committee Chair Kaneshiro: Do you know what? We will take our lunch right now. We will come back on this.

There being no objections, the Committee recessed at 11:50 a.m.

The Committee reconvened at 1:30 p.m., and proceeded as follows:

*(Councilmember Chock was noted as recused.)*

Committee Chair Kaneshiro: Welcome back. We are on additions. We are still looking at a \$50,000 proposal by Councilmember Yukimura for adding funding for West Kaua'i Mauka & Makai Farm and Food Center – Iwikua. I think some of us are ready to vote on it. I think we were going to have Councilmember Kualii ask some final questions if he had any. It is going to be very difficult to add because it needs five (5) votes. We can talk forever on it, but I would really like to just get the meeting going. If it does not have the votes, then we get going. Councilmember Yukimura.

Councilmember Yukimura: I understand. I believe during the debate or discussion, we should have all of the information possible. I would like to ask the Administration something. One (1) of the questions was Council Chair Rapozo's question to George Costa. He looked at the proposal during the lunch, so I would like to make sure he is here please, because he needs to give his input. That is part of the reason we postponed it for lunch. Also, I believe in discussing with George, another format may be appropriate. We need Councilmember Chock. So, I would like to have...

Committee Chair Kaneshiro: We need to clear this proposal first before we bring Councilmember Chock in. I am ready to vote on it.

Councilmember Yukimura: Well, I might withdraw the proposal and produce another one, which I think Councilmember Chock would be able to vote on.

Committee Chair Kaneshiro: Will George's answer make you decide to withdraw?

Councilmember Yukimura: It may because I think we talked about a Request for Proposal (RFP) format that would satisfy Council Chair Rapozo's concerns as well.

Committee Chair Kaneshiro: Well, I want to continue to get towards an end goal of voting on this already.

Councilmember Yukimura: That is fine. That is my goal too, to get to voting on it.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: If the end is right in front of us and if I am a no and Committee Chair Kaneshiro is a no, you clearly do not have the votes already.

Councilmember Yukimura: So you folks have discussed the votes?

Councilmember Kagawa: Yes. No.

Councilmember Yukimura: And you know how many votes you have already?

Councilmember Kagawa: I am just saying if there are two (2) that clearly is no, then why waste time because there are probably three (3) or four (4) that are no.

Councilmember Yukimura: Because we do not know the vote until we take the vote, unless Sunshine Law has been violated.

Councilmember Kagawa: I vote no.

Committee Chair Kaneshiro: There are no Sunshine Law violations.

Councilmember Yukimura: Thank you.

Committee Chair Kaneshiro: Let us start moving on with the meeting. We will stop arguing. I want to get this meeting going. I would really love to finish the budget today, if possible.

Councilmember Yukimura: I share your goal, Committee Chair Kaneshiro.

There being no objections, the rules were suspended.

Mr. Costa: I just wanted to...

Committee Chair Kaneshiro: What is the question?

Councilmember Yukimura: I would like it to ask it, please.

Committee Chair Kaneshiro: Well, he was going to answer something with no question.

Councilmember Yukimura: Okay. Thank you.

Committee Chair Kaneshiro: I was stopping George from answering something that I do not even know what the question was.

Councilmember Yukimura: Okay. Thank you. George, you had a chance to look at the proposal...

Mr. Costa: Right.

Councilmember Yukimura: ...and you are familiar with it.

Mr. Costa: Yes.

Councilmember Yukimura: I presume it is something that the Administration supports since the Mayor wrote a letter of recommendation.

Mr. Costa: Right.

Councilmember Yukimura: Okay. Do you have any objections to the proposal?

Mr. Costa: Yes. My clarification went back to Council Chair Rapozo's question of if I knew about it. Yes, I had heard about the project. It was presented to me. I thought, "hey, great project." It is another agricultural project on the west side. I just did not realize it was going to be in our department.

Councilmember Yukimura: Do you have any problems with it being in your department?

Mr. Costa: No, but under one (1) condition though. Apparently, they are still trying to get approval for the Agribusiness Development Corporation (ADC) lands with the Department of Agriculture. So I would say it should be contingent on that.

Councilmember Yukimura: I know that I spoke with Nalani earlier. Would you prefer that it be like an RFP process where you solicit proposals from the west side community for agriculture?

Mr. Costa: I have seen the project. It looks like a good project. So if we go with a RFP, we would be talking about the same people...

Councilmember Yukimura: No. You would be talking about putting it out for proposals; they would be among the people proposing, and according to Council Chair Rapozo, you would set up some criteria for whether they have a business plan, whether the goals meet the goals of the Office of Economic Development for agriculture, and those kinds of things.

Mr. Costa: For me personally from what I have seen, they have been working with the Department of Agriculture. I would prefer it be a grant to this organization because they have already done that, otherwise if we do an RFP, then we would have to go out and pretty much run this process as opposed to giving a grant to an organization that would be spearheading the initiative.

Committee Chair Kaneshiro: Are there any further questions?

Council Chair Rapozo: I have a question for George.

Committee Chair Kaneshiro: Council Chair Rapozo.

Council Chair Rapozo: How much funding has this group secured so far?

Mr. Costa: I do not know that part. I saw the plan and it looks like a good plan, but as far as funding and all of that, I am not aware.

Council Chair Rapozo: That is what I am trying to say. It is very premature.

Committee Chair Kaneshiro: Councilmember Kualii.

Councilmember Kualii: George, you saw the plan, but did you see a budget for the plan?

Mr. Costa: Yes, they have a budget.

Councilmember Kualii: The \$50,000 is the full budget? So they are asking the County to fully fund this project or are we are a partner? Are there other partners? Is there any leverage? Is there any other funding? In your budget, the Grant-In-Aids, there are these line items. There is a line item for Other Hawaiian Cultural Projects – \$40,000. There is a line item for Food & Agriculture Food Production – \$40,000? Would you be able to use any of these moneys to partner with this project for some portion of the \$50,000 if \$50,000 is their whole budget?



Mr. Costa: Not from those other line items. Are you referring to the ones that are in our budget, right?

Councilmember Kualii: Yes.

Mr. Costa: Yes.

Councilmember Kualii: Well, it is a Grant-In-Aid, and that is what this kind of sounds like.

Mr. Costa: Right.

Councilmember Kualii: It is another added Grant-In-Aid by the Council in a sense. But you are saying, no.

Mr. Costa: No.

Councilmember Kualii: I thought I remember when you presented to the Council during the presentation that the Other Hawaiian Cultural Projects – \$40,000 was not specifically earmarked for any particular established project, or entity, or deliverable, if you will.

Mr. Costa: Right.

Councilmember Kualii: So that \$40,000 would be available for this project, which is a Hawaiian project for *muaka* to *makai* sustainable agricultural practices of the old ways, correct?

Mr. Costa: I guess it could be looked at that way.

Councilmember Kualii: Yes.

Mr. Costa: We were thinking more of cultural sites that we are working on and having additional funds for the Kaneioulouma Heiau or any other the other cultural sites.

Councilmember Kualii: If you looked at it that way, there would be \$40,000. So this new project that is under consideration would have to come up with twenty percent (20%) or another \$10,000.

Councilmember Yukimura: Excuse me. For factual purposes, their budget is more than \$50,000, and it is right here if anybody wants to see it.

Councilmember Kualii: Okay. Well, I asked George. He saw it and I did not.

Mr. Costa: Yes, and I am looking at it right now.

Councilmember Kualii: Okay. (Inaudible) \$40,000 would be available?

Mr. Costa: What is that?

Councilmember Kualii: The \$40,000 is not earmarked for any particular Other Hawaiian Cultural projects right now?

Mr. Costa: No, not right now.

Councilmember Kualii: Okay. Thank you.

Committee Chair Kaneshiro: Are there any further questions?

There being no objections, the meeting was called back to order, and proceeded as follows:

Committee Chair Kaneshiro: Is there any final discussion? Council Chair Rapozo.

Council Chair Rapozo: I get approached by, and I am sure we all do, organizations that include Kapa'a Pop Warner Football Association (inaudible). A lot of people have great ideas, great motivations, great need, great desires, and all these plans, they have the volunteers, they want to do things, and they want the money. We do not have the money. We are broke. We are looking up at the screen at what is left over. (Inaudible). With all of the cuts that was proposed, you can automatically guarantee that the Administration will be back up in the next year with money bills. Topping the Unassigned Fund Balance. This is a major project. As I read through this \$50,000 dollar project. It is a great project. It is huge. I also remember, George, when you were up here for the budget discussions, how strapped you are as far as time, resources, (inaudible). I do not know how you would (inaudible) project like this of this size. (Inaudible) the County is in the business of just writing checks because "hey, you have good program, boom, go run with it, and come back to let us know if it works." Much has been said about Kilauea. Kilauea was our land. It was not (inaudible). They have an idea. When they are ready and work it through OED (inaudible), they work and get all of the logistics in order, I welcome them to come up with the Administration, not letter of support of the (inaudible), letter of support for the funding of the project, and then I will consider it. But until then, (inaudible). There are just too many people out there that we have had to say sorry to this year because we do not have the funds, and this is one of them. That is just my position. I am not going to support it.

Committee Chair Kaneshiro: Is there any further discussion? Councilmember Kagawa.

Councilmember Kagawa: I think that is two (2) no's. So that makes this impossible.

Committee Chair Kaneshiro: Is there any further discussion? Councilmember Hooser.

Councilmember Hooser: I think we need to do something for the west side to support agriculture, that is number one. I think it was last year or the year before when the Administration eliminated the one (1) position we had supporting agriculture. Now the Director, among all of the other duties, supports agriculture as best as has can. There is a huge resource on the west side; personal resource of people and land (inaudible). I think we need to invest in that. We do give money. We do write checks to all kinds of organizations and the directors do not have to manage projects. We write them for the Young Women's Christian Association (YWCA), we write them for the American Red Cross, we write them for senior softball, and it is simply writing checks and asking for reports when you are giving a grant out. We have a large number of grants that we give. It is clear that we do not have the votes for this project, but following this, I will ask and implore upon this Council to think about supporting agriculture, small farms, small local farms put together by local residents from the west side (inaudible).

Committee Chair Kaneshiro: Councilmember Yukimura and then  
Councilmember Kagawa.

Councilmember Yukimura: We are talking about one of the major thrusts of this County, which is economic development and diversification. Economic diversification not only in agriculture, but smaller agriculture as well and food production, which is part of our sustainability goals. I feel like we really have a double standard here because when Kilauea came before us, they did not have budget or a business plan. They did not have anything except a desire, whereas over here, and it was a good desire and they have been working at it. They did not have (inaudible). George had to spend his time supporting and requiring that they pull these things together. But in this case, we have people who have already done their homework, and they have a budget and a business plan. Agriculture is really important economic development. I feel like we are applying a double standard. We should be consistent and also provide funding or support on the west side, not just on the north shore.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: It is not a double standard. Kilauea Agricultural Park was funded prior to myself and Councilmember Hooser coming on board. (Inaudible) talked about for a long time before final funding was available to them. I believe it just came two (2) years ago or last year. The fact of the matter is this proposal in front of us just came up about two (2) hours ago. If that is not a big difference, then I do not know what a big difference is. The other thing is that senior softball actually has a State tournament that has been run numerous times with all of those teams. This proposal does not even have land. It is an idea. I think there is a big difference between actually having an event and actually having a farm to do what this funding is going to do. I just think that again, when you are going to talk about apples, talk about apples. If you want to talk about oranges, then talk about oranges. They are totally different.

Committee Chair Kaneshiro: Council Chair Rapozo.

Council Chair Rapozo: I do not know how we can say it is a double standard. Kilauea was a condition of a development that occurred thirty (30) years ago or whatever, way before any of us. Maybe Councilmember Yukimura was around. Okay. My point is this, Kilauea did not show up day 2 of decision-making in the budget with the Administration coming up and saying, "Oh, I heard about it." That was years or decades until the Administration came forward with the plan. It is totally different. Really. As far as the YWCA, the American Red Cross, and all of that, those are existing programs that we fund every year. If the YWCA or the American Red Cross came up today and said, "I need \$100,000 for a program we are thinking about implementing," I would not support that. Really, it is what it is. Apples and apples is what we should be discussing. It is an entirely different project. I am not about to sit here and burden you, George, with one (1) more project that honestly, they are not ready. They are just not ready. They can go secure farm loans or whatever kind of assistance through an application process and try to convince the federal government or the State or even the County through your grant process. I think that is the appropriate way. But for a Councilmember to drop a \$50,000 request with the proposal at the same time and expect us to vote on it, that is difficult. It is very difficult.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: I hear all of the concerns. I did this with the arts proposal last year, and because we were open and the Councilmembers around this table were open to new initiatives and to new ideas. I hope we are not saying the criteria is that you have been around for thirty (30) years, because the reason why that project was around

for thirty (30) years was because nobody ever put together a good plan for it. Are you going to wait around for thirty (30) years and then be qualified for funding? I do not think so. Yes, they do not have land and they need land. We could help them get the land by showing the State a small bit of support for their overall budget. It is showing that the County wants to see this kind of project happen, we have thousands of acres out on the west side that are owned by the public, and at least a small portion of it should go to growing food and training young farmers. That is one of the key needs right now if we want to see agriculture more forward. This is recognizing entrepreneurship, recognizing initiative, recognizing the need, and being willing to put a small amount of money toward it to help it grow and establish itself.

Committee Chair Kaneshiro: I will not be supporting this proposal. It is very difficult for us to decide on something when it comes here and it has not been vetted. The proper way to vet it is it goes through the Office of Economic Development amendment to our budget, and then we vet it. If it just so happens to make it through, then the project will get funded. You have seen projects that have been vetted there and still get cut here. I think that is the way it should go. It is just very difficult for us to just give away money here like this. It needs to go through the proper vetting. Councilmember Kualii'i.

Councilmember Kualii'i: I think last year we kind of came across this too, where maybe this Council needs a process of our own for our own type of Grant-In-Aids. As far as this proposal, I agree that we do need to do something for the west side in agriculture, with small local farmers, and growing local food. But that is why in our Grant-In-Aid program, we have all of these different categories. (Inaudible) in agriculture, which has tropical flowers, fruit growers, and water. There is all of these categories here. There is all of these things that is happening. Yes, we need to do more, but it needs to go through this system because that is what we have. I am satisfied with knowing that we even have a specific line item that is food and agriculture food production, which right now has \$40,000. Hopefully this potential group of farmers and others, I have heard of another group of young Hawaiians that are cleaning up a place they refer to as Poison Valley in Waimea. With everything they clean, they replace with the growing or dry land taro and different things. I do not know enough about it to talk about it, but when I heard them talk to (inaudible) and Hawaiian Homelands, it sounded pretty awesome. It has to do with stream restoration and bring more water. There are potentially a lot of projects like this that would be really good and we probably should be moving in that direction. I want to tell you, George, please use some of this \$40,000 that was already allocated (inaudible) in projects, to begin working in that area. (Inaudible) with more solid proposals to ask for a little more. We are talking about this huge budget and we need to invest in small amounts, but I need, like everybody else, to see more and to see the justification.

Committee Chair Kaneshiro: Okay.

Councilmember Kualii'i: Thank you.

Committee Chair Kaneshiro: Can I get a roll call vote, please?

The motion to add \$50,000 for the Office of Economic Development, Grant-In-Aid for West Kaua'i Mauka Farm and Food Center – Iwikua was then put, and failed by the following vote:

FOR MOTION:	Hooser, Kualii'i, Yukimura	TOTAL – 3*,
AGAINST MOTION:	Kagawa, Rapozo, Kaneshiro	TOTAL – 3,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	Chock	TOTAL – 1.

(\*Pursuant to Rule No. 5(b) of the Rules of the Council of the County of Kaua'i, Councilmember Kuali'i was noted as silent, but shall be recorded as an affirmative for the motion.)

Committee Chair Kaneshiro: We are on additions.

Councilmember Hooser: Yes.

Committee Chair Kaneshiro: Councilmember Hooser, do you have an addition?

Councilmember Hooser: Yes, I have an addition.

Council Chair Rapozo: We have to get Councilmember Chock in here.

*(Councilmember Chock was noted as present.)*

Councilmember Hooser: I have an addition, which adds \$100,000 to the Office of Economic Development to provide funds to make available to small farms for (inaudible) west side residents. The intent is that people would submit grants and this would be a pool for funds available for one (1) person. The department would evaluate the grants based on their merit and whether it was a \$5,000 grant for tools, shovels, and implements or whether it is a larger grant to assist organizations that we just talked about or similar organization (inaudible). It is \$100,000. We took away \$50,000 from the EBT program, which supports agriculture and (inaudible) in vetting in agriculture at all, let alone agriculture on the west side. It is a small step, but an important step to tell these young farmers and various organizations that yes, the County believes in you enough to support it and support your business plan. It would also send a strong message to Scott Enright and the people of the Agribusiness Development Corporation and others that yes, the County wants to support it and be a partner in this. It is a relatively small amount of money. I think it would be a strong statement of support for agriculture on the west side, and I would hope that we could have a unanimous vote in support of this. Thank you.

Councilmember Hooser moved to appropriate \$100,000 to the Office of Economic Development, Grant-In-Aid account for West Kaua'i Residents' Small Farming Initiatives, seconded by Councilmember Yukimura.

Committee Chair Kaneshiro: Council Chair Rapozo and then Councilmember Kagawa.

Council Chair Rapozo: Thank you. Councilmember Hooser, would you be opposed to removing "West" so that it is available for all Kaua'i residents? Wailua has a lot of agricultural land.

Councilmember Hooser: Right. I would defer to the will of the majority, but I believe the west side has been neglected. I believe the west side is where the opportunity lies because we have such a vast amount of land. If we want to add additional funds and (inaudible). I feel strongly that the west side really needs the support. They (inaudible). There is thriving (inaudible) Moloa'a that just got support from the State. The north shore is getting its support. I strongly believe that the west side of Kaua'i has been neglected in this area and we need to make a statement of support for them, but I will defer to the majority.

Council Chair Rapozo: I just think that besides Kilauea and Moloa'a, you still have Wailua, Lihu'e, and you have a lot of agricultural lands throughout this island.

Councilmember Hooser: Okay.

Council Chair Rapozo: (Inaudible) people get excluded. I will give you my support if "West" is out. It is not that I want to not (inaudible). The process of the selection of who gets these grants would be left up to the Administration, and maybe they want to give preference to however they want to do it, but for me, I do not want to exclude and obviously, we just do not have more money. If we can do it for Kaua'i residents and leave the selection process up to the Administration, then you have my support.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: Councilmember Hooser, do you have a cut that you have to do with that addition?

Councilmember Hooser: I had proposed a \$200,000 cut earlier that was rejected.

Councilmember Kagawa: Okay, perfect.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: The reason why West Kaua'i is so important is because there is publicly owned land. You do not have to find land, and land is a problem for farmers to farm. The other reason is it is the best land in the world actually, with the irrigation system that is there and the amount of sun that is there. We had the highest (inaudible) in the world when Kekaha Plantation was in operation. So that is why the west side is really important, plus the fact that it needs an economic boost. All of those growing conditions make it so perfect for at least one (1) of the economic legs for the west side to stand on as it was with the plantations. That is why, to me, it is so important. I am open to keeping it broad if the Administration, in its deliberation about the criteria for this request to proposal, can recognize some of those aspects of agriculture because we need to choose the most optimum conditions. We all know that agriculture is a hard thing. If you can get the optimum conditions to start with, that is the best place to start. If the Administration can recognize that in how they set up the criteria, I am thinking we can somehow manage with a broader title or scope.

Committee Chair Kaneshiro: If you want, we can ask questions.

There being no objections, the rules were suspended.

Committee Chair Kaneshiro: Councilmember Kualii.

Councilmember Kualii: George, can you remind me what the \$40,000 for food and agriculture food production is being spent on? Where is it being expended on the island?

Mr. Costa: Is that the one in our present budget?

Councilmember Kualii: Grant-In-Aid – \$40,000.

Mr. Costa: Is it under Kaua'i Economic Development Board (KEDB)?

Councilmember Kualii: Yes.

Mr. Costa: Yes, that is actually for the food production center, which is the business incubator and now it is the Kaua'i...

Councilmember Kualii: At Kaua'i Community College (KCC)?

Mr. Costa: Yes at KCC. Sorry about that.

Councilmember Kualii: But central to serve the whole island?

Mr. Costa: The whole island, right.

Councilmember Kualii: Does Island Wide Agriculture Park System – \$90,000 include (inaudible) into the west side?

Mr. Costa: No.

Councilmember Kualii: No plans?

Mr. Costa: That title was changed to reflect the Kīlauea Community Agricultural Center. What it originally was, and it came from the Mayor's Holo Holo 2020 vision, was an agricultural park in each *moku*. I had made presentations before and we continued to have discussions with different organizations like Knudsen Trust, who is looking at developing an agricultural park in Kōloa. The Kekaha Agricultural Association is looking at developing an agricultural park in Kekaha. Then at the time, the Farm Bureau was looking at ADC lands up at Kalepa. So that is why it was entitled Island Wide Agricultural Park.

Councilmember Kualii: Okay. Does "island wide" not apply anymore?

Mr. Costa: No, because for the \$90,000...

Councilmember Kualii: It is Kīlauea?

Mr. Costa: For the \$90,000, it is specific to Kīlauea.

Councilmember Kualii: Okay. My last question is, would you be able to find savings anywhere in your department worth \$100,000 in order to increase your Grant-In-Aid program by \$100,000?

Mr. Costa: We would probably look at other programs to reduce and then focus...

Councilmember Kualii: Are you saying yes?

Mr. Costa: There could be other opportunities. It might not be something everybody wants.

Councilmember Kualii: Okay. As we talked earlier about Other Hawaiian Cultural Projects – \$40,000 possibly being available for such a project is the one that Councilmember Yukimura was talking about or the Poison Valley cleanup and farmers there, would that be the same thing in your department as far as if somebody approached you in the middle of budget time, you would still work with them and consider it and look for the money and savings?

Mr. Costa: Yes. I would not focus on noneconomic development items in our budget and focus on economic development type projects.

Councilmember Kualii: Okay. Thank you.

Committee Chair Kaneshiro: Are there any further questions for George while he is up here?

There being no objections, the meeting was called back to order, and proceeded as follows:

Committee Chair Kaneshiro: Is there any discussion? Councilmember Hooser.

Councilmember Hooser: As I stated earlier, even though my preference is to make it a west side specific proposal, I would accommodate concerns around the table. I am open to making it an island wide proposal in confidence that the Director will see the importance of the west side and perhaps give preference. I do not know what the language is. I want to make sure the west side is not neglected in this process. So perhaps it could be open island wide, but with a preference given to the west side local residents.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: I think it would take into account, and I think I am going back to criteria Council Chair Rapozo was suggesting; the viability of the proposal, how well organized the people are, whether they have the abilities to implement what they are proposing, whether there is already an agricultural park that has been getting County moneys, and what the overall direction of agriculture on Kaua'i for economic development is. It would have to be all of those things.

Committee Chair Kaneshiro: Councilmember Kualii.

Councilmember Kualii: Prior to this discussion, I would say that I would be supportive if we removed "West" and left "Kaua'i," and also if we reduced it to some amount like \$25,000 or \$30,000. \$100,000 is a lot of money and I am hoping that we can end our cut session with enough money to make some difference with road repairs, but I also think \$25,000 or \$30,000 potentially could be a good starter amount for a small project or two (2) that maybe George then could help identify. So with the \$25,000 or \$30,000 and with the \$40,000 in the Other Hawaiian Cultural Projects line item, that would leave them



some money to get some things going if they are already at that point and ready to go. That is what I would support; removing "West" and lowering it to \$25,000 or \$30,000.

Committee Chair Kaneshiro: Councilmember Hooser.

Councilmember Hooser: As I mentioned earlier, I am willing to make this broader than just the west side even though my intent is to support local residents on the west side when we get into farming. I think we need to make a statement of support. While I understand the concerns of my colleagues about the budget and reducing the amount, in talking to farmers who are talking about going in together to buy a tractor, you cannot buy a tractor for \$25,000. You just cannot. I think we need to make a statement that is of real support, not token support, not well, here is a few thousand dollars and we end up with nothing. \$100,000 is a real statement of support. We used to have probably a \$150,000 person in that job, and year after year, we do not have that. Again, we took away the EBT. We give hundreds of thousands of dollars, if not, millions or more to the visitor industry and to other things. How many employees do we have supporting everybody else? We have nobody supporting agriculture. I really want to see a strong statement of support and it can be island wide, but we need a statement. We have the funds available and I think it is just really important. Thank you.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: I am looking for a win-win here. I am thinking if we did it at \$30,000 for this island wide, and I think Councilmember Kuali'i has asked the Office of Economic Development to look for another \$30,000 or \$40,000 so that we are somewhere around \$70,000 total with an amendment of \$30,000. Maybe we could get close to what Councilmember Hooser is talking about, but also respect the other budgetary constraints.

Committee Chair Kaneshiro: Councilmember Kagawa and then Councilmember Kuali'i.

Councilmember Kagawa: Thank you, Committee Chair Kaneshiro. I find it kind of disingenuous to try and pump money into agriculture after the last Council passed Bill No. 2491 and now we are saying we support agriculture. Seed companies are agriculture. I think if we want to support real projects that have a viable chance of making a difference out there, it should be done on a case-by-case basis, and I think this Council should vet it through a public hearing process or a bill process if we have good projects. George, keep your eyes open. I will be voting this thing down, but if there is solid agricultural operations that may need a tractor or may need other equipment to survive and provide some real jobs and real food, then please, keep your ears open and bring it before us. I think other than that, this is just a whole bunch of pandering.

Committee Chair Kaneshiro: Councilmember Kuali'i.

Councilmember Kuali'i: My last comment is more of a process as far as how we are doing these additions when the cuts have not been completed yet. There is a couple of really large cuts that would make me feel a little bit more generous as far as adding another \$10,000 or \$20,000 if I knew we had accomplished those cuts. But we are still far away than I was hoping as where we could get to make even a little dent like Vice Chair Kagawa was talking about as far as road repairs.

Committee Chair Kaneshiro: My intention is we take this item, we vote it up or down, and then we go back to the cuts that we had the attorneys look at so that we can complete that. If somebody else wants to come with a new proposal, we can look at it, but I do want to just get to decision-making. We either support it or we do not, we make a quick statement on why we do or do not, and we move on it because we can go in circles on this all day. Any final words on this? If nobody is willing to withdraw it, we are going to take the vote on this right now. Councilmember Chock.

Councilmember Chock: I am supportive of this addition. I feel a little bit bad. I think we cut maybe not high numbers out of the Office of Economic Development, but certainly many line items out of his budget, and now we are asking for something that we definitely want. In terms of diversified agriculture, I am a huge proponent and I will support just about any measure that will take us to the next step. I will vote for what comes up. Thank you.

Committee Chair Kaneshiro: Council Chair Rapozo.

Council Chair Rapozo: Mine is more of a suggestion because it is really difficult to pump money into agriculture and we do not have anybody designated as an agricultural person in the Office of Economic Development. I would ask the Administration to really look and consider restoring that position going forward because it is hard, George. It is like running a mechanic shop without a mechanic. I agree, we have not served the agricultural community as much as we should because of the vast resources of land. But it is very hard to do when you do not have someone dedicated. Maybe we have some good news. I do not know.

There being no objections, the rules were suspended.

Ms. Nakamura: Nadine Nakamura, Managing Director. Good afternoon. Just to answer your question, Council Chair Rapozo, when the Agricultural Specialist retired, we took a very close look at that vacancy. At the time, the feedback that we were getting from the Council was that we needed to cut positions. We needed to cut our operating budget. At the same time, we were also looking at, as we said, whenever there is a vacancy, we are looking at how we can do things differently. What we decided to do was to ask Nalani Brun to take over some of the administrative positions that George was formerly doing, and then to free up some of George's time, to take on many of the agricultural initiatives, which he has done and has made progress on many of these, especially with the Kīlauea initiative. It has freed up his time to work with KEDB, to partner with the Farm Bureau, to do all of these things, and to oversee the Sunshine Market initiative with staff in really enforcing the rules of the Sunshine Market and so forth.

Council Chair Rapozo: Nadine, the Sunshine Market is a very...that is not even what I am talking about. I am talking about developing agriculture. The Sunshine Market is an end-user. I hope you are not saying that you folks cut that because the Council said.

Ms. Nakamura: No.

Council Chair Rapozo: That is what I heard. I hope not. We can go back to the cuts...

Ms. Nakamura: I think we were looking at the...

Council Chair Rapozo: ...and I can go find other positions to cut so you can restore the Agricultural Specialist. If you are saying that we caused that, then we will cut some positions.

Ms. Nakamura: No. I think this was again, the whole look at when we do things differently.

Council Chair Rapozo: I understand, but what I am saying is if we want to put an effort into agriculture and we do not fill the Agricultural Specialist position, how sincere are we? How serious are we, is what I am saying?.

Ms. Nakamura: What we are saying is we found a different way to do that, and that is by freeing up and taking away some of the administrative duties of the Director, and allowing him to focus on some of the agricultural initiatives.

Council Chair Rapozo: Who is working on developing agricultural projects? Who is our person now?

Mr. Costa: I am.

Council Chair Rapozo: Okay. In addition to what else, George? How many hours do you have in your day?

Mr. Costa: So far twenty-four (24) hours.

Council Chair Rapozo: I am not trying to be rough, but I am just saying that I took that response differently, that it was in response to the Council. Excuse me. I think this Council, as long as I have been on it, has really tried to put an emphasis on agriculture, but we cannot hire people. We cannot hire an Agricultural Specialist. We did not get rid of that. It is not like we cut that position. So I do not want that to get out. If you ask me, I will cut two (2) or three (3) positions so we can bring that Agricultural Specialist back. We can work on that in the afternoon, really, if you want to satisfy the Council. I think I speak for most of the Members here, if not all. I believe that the Agricultural Specialist is important. We have all of the resources, we have everything we want, and so we are going to pump \$100,000, which I support, but then what? It sits in an account and we wait for...anyway, I think you get my point. I am done.

Committee Chair Kaneshiro: Are there any other questions for the Administration? Councilmember Hooser.

Councilmember Hooser: Never mind.

There being no objections, the meeting was called back to order, and proceeded as follows:

Committee Chair Kaneshiro: Okay. We have had a lot of discussion on it. I have not said my piece. Councilmember Hooser.

Councilmember Hooser: Maybe I should let you say your piece before I do. What I was going to say is that I have listened to what everybody has been saying. I get it, that we want the opportunity to be available for farmers all over the County to apply equally if they qualify, have business plans, and that kind of thing. I agree to that and will amend the proposal accordingly. I understand the concerns of Councilmember Kuali'i regarding the budget and I am willing to meet everybody halfway if we could and cut the proposal to \$50,000, which is the same amount of money that we took from the EBT program and is still not enough to buy a tractor, maybe, but it is a start.

Committee Chair Kaneshiro: Are you going to withdraw your motion?

Councilmember Hooser: Withdraw or amend, yes.

Councilmember Hooser withdrew the motion to appropriate \$100,000 to the Office of Economic Development, Grant-In-Aid account for West Kaua'i Residents' Small farming Initiatives. Councilmember Yukimura withdrew her second.

Councilmember Hooser moved to appropriate \$50,000 to the Office of Economic Development, Grant-In-Aid account for Islandwide Kaua'i Residents' Small Framing Initiatives, seconded by Council Chair Rapozo.

Committee Chair Kaneshiro: Is there any discussion? I have not had a chance to talk on either one. For this proposal, I think I have the same opinion. These types of projects should go through a vetting system. Without money of OED, it does not mean that people without a good business plan cannot come to them and say, "This the type of project I am doing and this is the kind of money I need to make my project work." Then in the next budget, George again, would put it in his budget, come here, present it to us, we will ask questions and vet it, and we either vote it up or down. If it passes all of that, then it will get the money. But I do not see how putting \$50,000 into an account is going to do anything. I support agriculture. I work with agriculture every day. I work with agricultural tenants every day. Farming is not easy. It is expensive. If a person wants to do farming, they need to come in with a good business plan. I do not know why you are going to come in and ask for money right off the bat. How much is it going to help the farming community by coming in a just asking for money off the bat? That still does not even tell you if you are going to be successful. The equipment that you buy breaks down a lot. We have equipment that breaks down every two (2) weeks. You have labor, mowers, tools, and the list goes on and on for expenses for agriculture. If they want the money, then it should go through a vetting system or go to United State Department of Agriculture (USDA) and the Natural Resources Conservation Service (NRCS). You have to look around. There are a lot of programs that are going to provide money for agriculture. We cannot just give money away is what I am trying to say. What can we do to help agriculture? We should make policies that encourage agriculture and not put them down. We should make it easier for people to farm. Again, agriculture comes in many different colors. What if somebody on the west side wants to do a ranch and have cows? Are they going to get pounded because cows crap on the ground? We cannot limit it. How are we going to help agriculture? We should work on our policies. How do we make agriculture more successful and easier to do on Kaua'i, if that is our direction? To just dump money on it, I can tell you not many farms survive. We could dump money and there is no success in that. If we are trying to drive the economy, maybe we should offer grants to new business owners or all small business owners. There are a lot of things we can do, but again, it needs to be vetted.

If someone has a proposal, they should go to the Office of Economic Development. If George thinks it is a viable project, then George puts it in the budget, and the budget comes to us. It would be nice if they came and propose it ahead of time before the budget so that we have time to vet it, ask questions, and think about it. Then we are going to know it is in the budget, even then, it still might get cut, but I think that is the process it should go through. That is just my own opinion and the way I am going to vote on it. Councilmember Hooser.

Councilmember Hooser: Just real briefly. I understand and recognize your concerns, and I share many of those concerns. I certainly do not think the County should be just writing checks and dumping money on any project, and that is why I proposed funding this way so qualified or unqualified applicants can submit proposals. Those that prove they have experience, have a business plan, have partners, and have the ability to be successful then will be the ones that I am sure the Director would be looking at supporting. This is not about just handing out things, and I understand your concerns. That is the purpose of this measure, to avoid those kinds of measures. I appreciate it. Thank you.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: Procedurally, we either have to vote on an amendment to the proposal that is on the floor or we have to withdraw the...

Committee Chair Kaneshiro: I thought you...

Councilmember Hooser: We did that already.

Committee Chair Kaneshiro: It was amendment and seconded already.

Council Chair Rapozo: It was done already.

Councilmember Yukimura: Oh you did?

Council Chair Rapozo: It is all done.

Councilmember Yukimura: Okay. Sorry. Thank you.

Committee Chair Kaneshiro: We are looking at \$50,000 for Islandwide Small Farming Initiatives.

Councilmember Yukimura: Okay. Thank you.

Committee Chair Kaneshiro: Is there any further discussion on this?  
Councilmember Kualii.

Councilmember Kualii: I just wanted to make clear again, that without us finishing the cuts...

Committee Chair Kaneshiro: Actually, I need a second on the amendment.

Councilmember Hooser: Council Chair Rapozo seconded the motion.

Committee Chair Kaneshiro: Okay, got it.

Councilmember Kualii: Without us finishing the cuts and knowing that George has said that he has at least this amount of money in his budget that he could access if he needed to if a worthwhile project came forward, I will not support it at this time.

Committee Chair Kaneshiro: Can I get a roll call vote, please?

The motion to appropriate \$50,000 to the Office of Economic Development, Grant-In-Aid account for Islandwide Kaua'i Residents' Small Framing Initiatives was then put, and failed by the following vote:

FOR MOTION:	Chock, Hooser, Rapozo, Yukimura	TOTAL – 4,
AGAINST MOTION:	Kagawa, Kualii, Kaneshiro	TOTAL – 3,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Committee Chair Kaneshiro: We will go back to the cuts. I hope we had it vetted through our attorneys on any questions we had. I think Councilmember Kualii had two (2). We will go in the same order that we went as we did originally. Councilmember Kualii had two (2), then Councilmember Kagawa had one (1), and we will go from there.

Councilmember Kualii: The easier one that was withdrawn is dealing with appointed positions and the executive orders. Human Resources did provide additional executive orders that confirmed what she had said, so I am not resubmitting that one. I will just make the point though, the Mayor has the power to write an executive order and is given that power by the State Legislature and Hawai'i Revised Statutes (HRS) Section 89(c) or what have you. I would just say that the Mayor can write this executive order for multiple years, and technically, if this is one that is expiring this next budget year, that means the budget year after that is not addressed, but this one is already included in a five (5) year plan. I would just hope that any future mayor not do executive orders of this nature that deals with giving raises to any of our employees for a period beyond their length of service. Our Mayor has not done that necessarily, but when it comes up again in a year, I would not like to see another executive order that ties us in for another five (5) years. Thank you.

Committee Chair Kaneshiro: What is the proposal on the floor?

Councilmember Kualii: There is none. I withdrew them.

Committee Chair Kaneshiro: For all of them?

Councilmember Kualii: I withdrew that one and not this one.

Committee Chair Kaneshiro: Okay.

Councilmember Hooser: I have a question on that one if I could.

Committee Chair Kaneshiro: We do not have anything on the floor right now.

Councilmember Hooser: Do you want me to put something on the floor?

Councilmember Kualii: No, not on that one.

Councilmember Hooser: No, but I would like to ask a question about what he was just talking about. Can I talk? I do not want to break the rules.

Committee Chair Kaneshiro: I want to just keep going.

Councilmember Hooser: Okay.

Committee Chair Kaneshiro: Can you not ask the question after or get the information later?

Councilmember Hooser: No. The topic is about non-civil service employees getting raises, right? I think the conclusion was that executive orders by the Mayor means that administrative employees who are not civil service get the same raises that civil service employees get. Am I correct so far? My question is, why do Council Services Staff not get those very same raises? That is my question. I think it is only fair to ask. Everyone else is getting a raise.

Committee Chair Kaneshiro: We do not have anything on the floor.

Councilmember Hooser: I will prepare an amendment to make an addition for the...

Committee Chair Kaneshiro: Just to get this answer?

Councilmember Hooser: Well, if that is what it takes.

Committee Chair Kaneshiro: Let us try and get the answer. Are we allowed to discuss it? Let us get the answer already so we can move on.

There being no objections, the rules were suspended.

Ms. Rapozo: I am sorry, what was the question again?

Councilmember Hooser: It is my understanding that employees of the County, by executive order, who are not civil service employees track civil service raises. We had a measure earlier to take that away. My question is why does Council Services Staff not enjoy the same benefit?

Ms. Rapozo: The executive orders that are approved by the Mayor are for the executive branch. I believe in the Council's budget, you do have a salary adjustment line item whereby it says, "possible increases for appointed exempt employees and those not covered by collective bargaining." So that is your avenue to provide it.

Councilmember Hooser: So there is a line item, but there is not money in it?

Ms. Rapozo: There is money.

Councilmember Hooser: There is money?

Ms. Rapozo: Yes.

Councilmember Hooser: So our employees are slated to get raises?

Ms. Rapozo: I believe that is up to the appointing authority of the Council Services Staff.

Councilmember Hooser: I guess that is a budget question. Okay. Thank you. My question is, in the budget, do we have funds to make sure that Council Services exempt employees track the same raises that the administrative employees get? That is my question.

Council Chair Rapozo: Yes.

Councilmember Hooser: They do?

Council Chair Rapozo: We have the funds.

Councilmember Hooser: But is it in the budget?

Council Chair Rapozo: It is in the budget, except for our Clerk and Deputy.

Councilmember Hooser: Okay, but all of the other exempt employees...

Council Chair Rapozo: We have a line item. Basically, we just have to do the paperwork and get it across the street. Jade is the appointing authority.

Councilmember Hooser: Okay.

Committee Chair Kaneshiro: We have it in here, possible increase for appointed exempt employees, and it is a line item in our budget.

Councilmember Hooser: Okay, so it is funded. I just wanted to make sure that our Council Services Staff was getting the raises along with everybody else.

Ms. Fountain-Tanigawa: It is funded.

Committee Chair Kaneshiro: Can we move on?

Councilmember Hooser: Yes.

Committee Chair Kaneshiro: The next one was...

Councilmember Kagawa: It was his two (2).

Committee Chair Kaneshiro: He pulled back his two (2).

Councilmember Kagawa: Oh, you pulled the other one too?



Councilmember Kualii: No.

Councilmember Kualii moved to incorporate salary and related benefits reductions for Salary Commission Resolution Officers and Employees so that each Department will find savings within their own Department, seconded by Councilmember Kagawa.

Committee Chair Kaneshiro: Is there any discussion. Which one is this? How much money?

Councilmember Yukimura: \$566,000.

Councilmember Kualii: \$566,535.

Committee Chair Kaneshiro: Okay. The question before was, what was the line item that this is coming out of? Is it a negative salary balance line item?

Councilmember Kualii: (Inaudible) legally if we could do it.

There being no objections, the rules were suspended.

Committee Chair Kaneshiro: Mauna Kea, did you have a chance to review that?

Mr. Trask: I did. First off, my understanding is that the motion before the body is to put a lump sum. Is it to put a lump sum deduction and leave it to the Administration to decide where the savings will come from, or is it a line item?

Committee Chair Kaneshiro: I am not sure, that was the question. Councilmember Kualii.

Councilmember Kualii: Let me look in the budget here for an example. There is an account, say as an example, it is still in all of the departments, right, Scott? Each department has, I think it is just named "wages and salaries." Sorry, "regular salaries." The account for regular salaries for the Office of the Mayor is 001-0101-512.01-01.

Committee Chair Kaneshiro: But I think the question is, what is the line item that is going to reduce the salaries?

Councilmember Kualii: That is the line item. That is the account. Line items are accounts. It is not position by position, although I do not think positions themselves have line items.

Committee Chair Kaneshiro: I am going to take a quick recess and we will follow-up on this.

There being no objections, the Committee recessed at 2:32 p.m.

The Committee reconvened at 2:36 p.m., and proceeded as follows:

Committee Chair Kaneshiro: Welcome back. Councilmember Kagawa.

Councilmember Kagawa: I think what Councilmember Kualii has done and has brought to light is what I have been feeling strongly against. I still have sore feelings about the way the game has been played with the Salary Commission. I feel especially sore for the ones that did not get it on the whole list. Having said that, I think that at some point even if you do not like the rules of the game where three (3) votes dictated what happened, sometimes you have to throw in the towel. I feel like I am at that point with this one because I think the supplemental budget has shown that they have made the cuts. If we cut anything inside of there, I think we either have a lot of requests for money bills to fill those gaps especially from the Office of the County Attorney and the Planning Department that already said there is no way of finding it. Again, I feel you all the way, Councilmember Kualii. I am glad you brought it to light, but I think I would have to side with the “no” votes on this. It is no disrespect to you because I am with you. I am with you, I am still *habut* about it, but it is done and I want to reach an end. I do not think it is fair to force them to cut \$566,000 that they do not have. Thank you.

Committee Chair Kaneshiro: Anything else? Council Chair Rapozo. Wait, is this proposal still on the floor or did it get introduced? It is still on?

Councilmember Kagawa: Yes, I seconded it.

Committee Chair Kaneshiro: Okay. Council Chair Rapozo.

Council Chair Rapozo: I feel similar to Councilmember Kagawa. Over lunch I was thinking about this. In football and baseball, when the game ends, the game ends, and you move on whatever the case was. Sometimes you are not happy with the last call. I was watching girls softball last night, I swear Arthur Brun was the first base umpire. He made a really ridiculous call, everybody was going up, but he made the call, and in the end, the call was right. My point is when the game ends, the game ends and you move on. Am I happy with the way this thing went down like Councilmember Kagawa? No, I am not. The biggest frustration for me is every time I look across over here to Jade and I know what she does here, she is not getting a raise. She is not getting a raise. That bothers me. When I look to my left and I see Scott, he is not getting a raise. There is nothing this body can do about that. We can give everybody else a raise, but we cannot give Jade. Jade is in charge of Council Services, Elections, and everything else; Scott is her assistant; and we cannot give them a raise. The process is flawed and yet, when we went through it – I may offend a few people today, but that is just the way it is because I feel like I have to get it off of my chest. As much as I want to support what Councilmember Kualii is doing, I am not because the game has been played and the votes were taken. The chips fall where they fall. I just want the public to know that it is very unfair for Jade and Scott because somebody was not happy with the first result. I do not know who it is. I am not here to point fingers or what. Somebody was not happy with the first result, so they regrouped, they got the referees to add one (1) more quarter, and they played the quarter. At the end of the fifth quarter, some got what they wanted and some got screwed. Unfortunately, the people that got screwed are the people that I work with, and that frustrates me. It bothers me. It is everybody's responsibility and everybody's *kuleana*. Councilmember Kualii is trying to make it right now, but the game is over. The game has been decided and some people got raises and some did not. it is unfair. I wish we can fix that process. If everybody had agreed with the end of the first game without the overtime or the extra inning, we would not be having this discussion today, but now we are having this discussion. I had to get that off of my chest, Jade, more for you and Scott because I feel like crap just knowing what you folks go through and not being able to do anything about it. Unfortunately, I will not be supporting this because I will respect the rule and process it

went through, and we will deal with it at the next Salary Commission whenever they get together again. Thank you.

Committee Chair Kaneshiro:

Councilmember Yukimura.

Councilmember Yukimura: I want to say that the feeling that Council Chair Rapozo just expressed is the feeling that many people felt about the County Engineer, Director of Finance, and all of these positions that are on the list. They deserve raises. Why are they not getting it? Council Chair Rapozo, if you wanted to have Jade to have a raise, you could have voted for the whole list and made that happen. I do think we cannot take out different positions. We had to do it by tiers, but I hope that in the next Salary Resolution round, there will be some job audits that will really carefully define who is in the first tier, who is in the second tier, and have some more rationalization to it. I think following the rule and the decision that are made, even that overtime was part of the rules. This was all done by the rules. I think we might be able to do a line item deficits or minuses per this proposal, but the bottom line is we have to pay for the proper salaries. There is no way we get around it. We can force the Mayor to come back with a specific bill, then if we do not pass the bill, then the department heads will be able to sue us, and will go to court. In the end, we are not going to be making these savings. In fact, we are going to be costing more than what we have to pay in salary increases. We are going to be caught paying for costs of attorneys in lawsuits and that will get us nowhere.

Committee Chair Kaneshiro: Okay. Is there any further discussion? Again, I do not want to rehash the whole salary thing. We can see where the votes are going. I would really like to move forward. I can say things too, but I would rather just keep going. It has been a long two (2) days and I want to get through this. Councilmember Chock.

Councilmember Chock: My only request was that I know Members are talking about what has happened, but in all fairness to the Administration, there was a lot of talk that has happened. I want it to be clear for the public about why we are moving in this direction and I am not sure if that is absolutely clear for everyone. I just wanted to give the opportunity for that clarity. Councilmember Yukimura just kind of mentioned why.

Committee Chair Kaneshiro: I do not want to go and torture ourselves too much. We can get confirmation from the County Attorney if we want, but I think we pretty much got the gist of it. I understand what Councilmember Kualii was trying to do. We looked at doing things like this last year, too. How do we force the cuts? Like Councilmember Kagawa said, he brought up the whole binder. He said, "There is money in there and it is our job to find it," but it is very difficult on our end to find where that money is. I agree it is difficult. We have no clue. Every position or any budget item in here, you ask if you can cut it, and the answer is going to be no. I completely understand what Councilmember Kualii was trying to do. We are trying to make a cut to force the Administration to show their lapses. Again, we cannot do it and I just want to move forward. Councilmember Kualii.

Councilmember Kualii: I just want to make clear that we did not get to the end of the game. So we ended the game prior to the end, and that it is not clear whether this is possible or not. As far as I know, we have the authority to create a line item and we have the authority to even budget a negative amount in a line item. It is possible. It would take a whole lot of work to get that done. It probably could not be done today, especially if what I would end up doing, which was finding individual budget line items to propose where the cuts should actually come from. It is possible and I would only tell you that this is an important part of our work that we have to do, and we have to do better next time with the Salary Resolution. The point that we are at now, still leaves us with a worse

situation as far as equity from position to position. It creates more inversion. In essence, even without this budgetary approval, the Mayor and all hiring authorities still have the ability to act because those are only caps that were put in place. They have followed the caps to put budgets in place should they give those raises. So all of those raises are not actually given yet, and they still have the ability to not give those raises where they decide. If they did not give those raise, they would be able to realize more budget savings and then they would be able to help do what we are trying to do, which is to put more money towards roads repairs where we know we have a \$100,000,000 backlog. We did not get all the way (inaudible). I am submitting questions for opinions in writing on what is possible because I am doing this on behalf of the citizens. We are talking about nearly \$600,000 that we are giving raises to \$100,000 positions or raises (inaudible) more \$100,000 positions. So we get into the range of whatever, or fifty (50) \$100,000 positions at a time when we are saying we are broke or we do not have to money to do the things that we absolutely need to do. This game is not ending because we played it to the end. Obviously, the other game should have ended with us having a winning score, but it did not. There is not right or wrong or what is still possible because the game (inaudible) possible, but it is ending because I clearly can see there is no vote. I am not withdrawing my motion because I want to take the vote. I did this work on behalf of the people, fighting for their interest trying to get a...this is not a tax cut, but (inaudible) taxes so we have to come up with money some other way. This is one of the ways, to cut \$100,000 positions. Let us vote. I will vote (inaudible).

Committee Chair Kaneshiro: Let us take a roll call vote.

The motion to incorporate salary and related benefits reductions for Salary Commission Resolution Officers and Employees so that each Department will find savings within their own Department was then put, and failed by the following vote:

FOR MOTION:	Kuali'i	TOTAL – 1,
AGAINST MOTION:	Chock, Hooser, Kagawa, Rapozo, Yukimura, Kaneshiro	TOTAL – 6,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Committee Chair Kaneshiro: We have Councilmember Kagawa's proposal next.

Councilmember Kagawa: Yes. Again, this is not administrative orders what to do. This is merely moving back what you folks moved when you submitted your budget. We are just going to put everything back. We have a Civil Engineer VII making \$137,000 and a Project Manager that they moved under the Department of Parks & Recreation making \$95,000. They all have job descriptions that say that they will manage building repair & maintenance, and now we want to take away those duties from them. I just find that to not be a good decision and that is my reason why we are moving everything back under the civil servants that have qualified to have those jobs of (inaudible). Again, I put up my suggestion, my suggestion was vetted with the Unions, and the Unions have communicated to me that they have talked to the Administration. If the Administration does not want to listen to them, that is their prerogative. I think what the Union said was reasonable. They said, let the Department of Parks & Recreation handle parks and the Building Division take care of the rest of the County facilities. It is very simple.

Committee Chair Kaneshiro: Can I get a motion and a second?

Councilmember Kagawa moved to eliminate the Facilities Maintenance Division from the Department of Parks & Recreation (including the Building Manager in the Department of Parks & Recreation Administration Division) and add the budgeted

positions, associated costs, and level text back to the Building Repair & Maintenance Division and Janitorial Division under the Department of Public Works, with the recommendation that the Administration consider a division of responsibilities following the proposed table of organization that is attached hereto and after further consultation with affected supervisory employees, seconded by Councilmember Yukimura.

Committee Chair Kaneshiro: Councilmember Hooser.

Councilmember Hooser: I have a question for the introducer.

Councilmember Kagawa: Yes.

Councilmember Hooser: Did you meet with the Unions about this?

Councilmember Kagawa: Yes. Well, they called me and had concerns.

Councilmember Hooser: UPW and HGEA?

Councilmember Kagawa: Yes, because I am the Public Works / Parks & Recreation Committee Chair.

Councilmember Hooser: My question was, did you meet with the Unions, HGEA and UPW, and you said yes?

Councilmember Kagawa: Yes.

Councilmember Hooser: Did you also meet with the managers and the employees of the Department of Parks & Recreation and the Department of Public Works that are going to be impacted by this?

Councilmember Kagawa: I talked to a couple.

Councilmember Hooser: Did you talk to both of the managers of those departments so they know what you are proposing?

Councilmember Kagawa: I do not know if they know what I am proposing. They just expressed a little bit of a concern about having everything shift under the Department of Parks & Recreation. I think they were for things moving under the Department of Parks & Recreation and having that split as the Charter recommends.

Councilmember Hooser: The people in the Department of Parks & Recreation and the Department of Public Works feel the same way?

Councilmember Kagawa: I am not sure. I did not talk to every single person, so I cannot answer that.

Councilmember Hooser: But you talked to both people? I want to make sure that people in the Department of Parks & Recreation and the Department of Public Works know what is being proposed and are happy with it. Did you talk to people in the Department of Parks & Recreation or the Department of Public Works?

Committee Chair Kaneshiro: Let me make this clear. When we had the budget come through, we had a whole division of people in the Department of Public Works. During this budget session, the Administration moved that to the Department of Parks & Recreation. This proposal is moving that back to where it originally was.

Councilmember Hooser: Right.

Committee Chair Kaneshiro: The additional language was to look further into doing it a different way. The financial ramifications of this is when they moved everybody to the Department of Parks & Recreation, it is just moving everybody back.

Councilmember Hooser: I understand that. My question is, did the introducer meet with the employees that are...

Councilmember Kagawa: It is not me, it is just talk. I have a lot of friends and you have friends too.

Councilmember Hooser: Did you talk to the employees?

Councilmember Kagawa: Yes, I always talk to employees all the time. I talk about anything.

Councilmember Hooser: You talk to County employees about the way their departments are being managed?

Councilmember Kagawa: No, I do not manage them. I just talk story like I normally do. I just think this proposal is a better proposal based on all of my discussions with the Unions and employees who have some concerns about everything shifting under the control of the Department of Parks & Recreation. They want to make a split, if possible.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: Just to clarify, are we basically just putting everything back to the status quo? I hear that there is a new arrangement that Vice Chair Kagawa is suggesting to the Administration, but that is only a suggestion. What we do here will not put any new arrangement into effect?

Councilmember Kagawa: No. The motion clearly said that...

Committee Chair Kaneshiro: It is a recommendation.

Councilmember Yukimura: Okay. As I said, I had one to go back to it. I am voting for this.

Committee Chair Kaneshiro: Okay.

Councilmember Kagawa: Thank you.

Committee Chair Kaneshiro: Is there any further discussion or questions for the Administration? Councilmember Chock.

Councilmember Chock: No.

Committee Chair Kaneshiro: Sorry. You lean up forward towards the microphone...

Councilmember Chock: It does not work anyways.

Committee Chair Kaneshiro: Are there any questions from the Members? Is there any discussion? Councilmember Kagawa.

Councilmember Kagawa: I do not want to see us rush into something this huge where you just shift over the whole department. We have it working for years under the management that has the job description under them, and then we are going to take away management and put new management over them? My question was, what is the old management going to do now? Are they going to do a different job than their job description to justify the EM-7 and EM-5? I think it is shadier that we are moving it, then moving it back. I think moving it back is actually less shady. The proof is in the pudding. I think if they want to see improvement, then split it the way the voters want it to be split and take some time. Do not rush and do it right before you submit the budget. Take your time; split everything up; and make sure that both sides are equally split so that both sides have the necessary tools, resources, and manpower to do the best job for our taxpayers.

Committee Chair Kaneshiro: Councilmember Hooser.

Councilmember Hooser: Yes. When this came up earlier before lunch, I raised the question about the Council. In the Charter it says, "The council and its members shall not interfere with the administrative processes delegated to the mayor." It also says, "Except for the purpose of investigative inquiries under Section 3.17, the council or its members, in dealing with county employees, or with county officers who are subjected to the direction and supervision of the mayor, shall deal solely through the mayor..." So that is the source of my question to the County Attorney and to Vice Chair Kagawa. I believe that this Council is overstepping its authority and interfering with the Administration, and that we should not be discussing administrative processes with employees about how their departments are supposed to be managed. That is supposed to be kept with the Mayor and not direct to the employees. I would like to ask the County Attorney because the last time we talked to him, then they were supposed to talk during lunch, and I have not heard a response.

Councilmember Kagawa: Can I respond?

Councilmember Hooser: Sure.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: The Mayor and Lenny both called me in to meet with them. When they call me to meet with them, am I not supposed to listen? They are trying to work together and get the job done. You are trying to create some kind of legal problem. I guess that is how you work.

Councilmember Hooser: The question is not dealing with the Mayor. The question is dealing with County employees contrary to the Charter, which says you shall deal with the Mayor, not directly to County employees. That is my question and it is a legitimate question. The County Attorney has yet to come back to respond to my initial question.

Committee Chair Kaneshiro: I am going to take a ten (10) minute caption break. When we come back, I will suspend the rules and have the County Attorney come up.

There being no objections, the Committee recessed at 2:57 p.m.

The Committee reconvened at 3:05 p.m., and proceeded as follows:

Committee Chair Kaneshiro: Councilmember Hooser, who did you have a question for?

Councilmember Hooser: The County Attorney.

There being no objections, the rules were suspended.

Mr. Trask: For the record, Mauna Kea Trask, County Attorney.

Committee Chair Kaneshiro: Councilmember Hooser, what was your question?

Councilmember Hooser: We had some of this discussion before lunch about whether or not the Council was overstepping its authority in interfering with the administrative branch. It is my understanding that you were going to meet at lunch and then before we took a break, I read Section 3.18 of the Charter, Restrictions on County Council and Council Members. It says, "The council and its members shall not interfere with the administrative processes delegated to the mayor." It further says, "Except for the purpose of investigative inquiries under Section 3.17, the council or its members, in dealing with county employees, or with county officers who are subjected to the direction and supervision of the mayor, shall deal solely through the mayor," and then it goes on to say, "neither the council nor its members shall give orders to any such employee..." My question is, is this body violating that given the discussions we are having and the discussions Councilmember Kagawa had with County employees about the reorganization of the Administration's processes with the Department of Public Works and the Department of Parks & Recreation?

Mr. Trask: The way I look at Section 3.18 is it is three (3) general issues; one, whether there was interference; two, whether the question is "shall deal solely through the mayor;" and three, whether there was any orders given. Now, my understanding is that there were no orders given. The question of whether or not interference is a question of fact to be determined by a fact finder. I agree that the Charter says that the Council and all its members in dealing with County employee, shall deal solely through the Mayor. I advocate for that because it is a line in the sand. It is difficult. It is still in the sand, but it is a line nonetheless. However, the Mayor has and I think it is in last year's budget proviso or whatever, allows and encourages freedom of communication between department heads and committee chairs and generally has been maintained a permissive policy of the legislative branch speaking with the executive branch. I am not favorable of this because it perforates the line, but it is an understood policy as far as I am aware. I cannot say at this time based upon what I have heard on record today, say that there has been a violation. But I would state that the Council is the judge of its members and its own qualifications. Beyond



that, I really think it has been a tough day. It has been a long process. I think we should stick to what is going on, get business done, and I am sure these things can be worked out. That is what I am trying to say.

Councilmember Hooser: Thank you for that. Actually, my broader question was the very first question that I asked. "The council and its members shall not interfere with the administrative processes delegated to the mayor." In my opinion, the proposal that is on the table now proposes to do that. It was discussed and we had an organizational chart. The discussion was about how to best manage the Administration. The discussion was not about saving money. The discussion is how we think or certain people here at the table think that they have a better idea and a better proposal how to manage an administrative functions. That is really what we are voting on. It is not about saving money. It is not about budget restrictions. What I understand the purpose to be is about managing the Administration of the County, and that is the fundamental question. The fact that Councilmember Kagawa was communicating directly with County employees outside of what maybe the Charter requires is a secondary issue. The primary issue is the fundamental question of the Council interfering with the administrative actions. If you could address that please.

Mr. Trask: The executive branch via the Office of the Mayor does executive work. Without money, there is little or no work to be done. Government is structured via separation of powers. When the court looks at these issues, the court characterizes it as therefore an opportunity for the branches to work together. That is how I am trying to contextualize everything. Work together. Paddle together. That is how you are going to get the most efficient...the paddling metaphor is perfect. Now, the Council can cut by a vote of four (4) and add by a vote of five (5). All of your cuts and all of your additions have administrative implications. That is a fact. Is that within your purview? Correct? The case law and I looked at this over the lunch break, I looked at Harris v. DeSoto, Susil v. Fasi, City & County v. Fasi, and they all say generally the same thing. Although described separately, there is not a clear lined rule and sometimes it encroaches and sometimes it is both. In the case that is not on point but has a similar tone is Harris v. DeSoto, which stated the Council tried to redefine claims as any case involving anything beyond money. The court said that is not everything. If you have an injunction or something that does not touch purse strings, then the Council cannot dictate settlement. The executive branch has that authority. When it is purse strings, that is the Council's authority, but when it is both, they should come to an agreement. I think that is what I would advise you as your County Attorney to do. Look for an agreement. Look for a way to make this work. Anything further than that, I think, you would have to go to court to find out.

Committee Chair Kaneshiro: Okay. To get back on track...

Councilmember Hooser: Okay, I just want to clarify and then I am done, if I could. Because I think it is an important question whether Councilmembers can deal directly with County employees and discuss the operations of...

Committee Chair Kaneshiro: I guess as Chair...

Councilmember Hooser: ...County business or not. You talked about practices, encouragement, and perforated lines, but can we or can we not? The Charter says one thing and I need direction. I think the Council need direction whether or not we can deal directly with County employees and discuss the administration of the County directly with those employees or not.

Committee Chair Kaneshiro: I do not think this is a question for the budget. This might be a question that you can send over written. I want to get back to the budget item. Again, the question is all of this money was previously in the Department of Public Works and now this money and employees are all in the Department of Parks & Recreation. We had two (2) Councilmembers that had proposals to put it back because they were not comfortable with it. That is where we are at. We have heard from Mauna Kea and what his opinion was on our ability to do it. We could do it. If you want to go out of an abundance of caution, then you vote "no" on it, and we move forward. I just want to continue to move forward on our budget. Do you have a question, Councilmember Chock?

Councilmember Chock: Yes, Committee Chair Kaneshiro. It is for the Administration or maybe Lenny and the Mayor. I want to thank Mauna Kea because I think the best advice that I heard today was get together and work it out. That is what I would like to see happen here. The vote is really determined on how much flexibility there is moving forward in this change. Obviously the change is big and that is why there is a lot of upheaval and peoples are saying, "No, we do not like it." Is there more room for maneuvering so that we can get to a place and what is the plan to do that in achieving the successful change that you are looking for so that we can stand behind it or at least I can?

Mr. Rapozo: Was that a question to me?

Councilmember Chock: Yes.

Mr. Rapozo: For the record, Director of Parks & Recreation, Lenny Rapozo. When we gave our budget proposal and our budget presentation, we went through this. Our plan was, and we had extensive discussion here, that we do believe that as our structure would be to bring them all over, that there is capacity with the incumbent in that position that he would be able to manage it. Apparently, that is not the case. We have had discussion with the Unions. We have had meetings wherever there was an employee with the Mayor or myself. We have talked about it. Councilmember Kagawa has done his own due diligence, which on an island like this is going to happen. I am not offended by it. I think that makes for why we are having this discussion now. There was a question as to how we are going to manage it. If you look at the EM- person, twenty-five percent (25%) of it deals with the employee. That is part of his job description. So we are taking that away from him and giving it to another person who managed forty-one (41) individuals. I currently have someone now that is managing seventy-one (71) individuals. Does that seem fair? I think if seventy-one (71) can be done, so can forty-one (41). I believe the capacity is there. Now with respect to what the other twenty-five percent (25%), he is going to be handling the maintenance or repairs that currently the Department of Parks & Recreation had to assume from the Department of Public Works. When I came before this body when we had problems at Kapa'a Swimming Pool, nobody from this body looked at me and said, "Where is the Department of Public Works on this job?" That is a repair job. The Department of Parks & Recreation took it on. Eighteen (18) years of Kilauea Gym. I came up here and I get slammed by...you folks know who I am talking about. The Department of Parks & Recreation takes it on and I think we made the repairs. I can name you other projects that we have done that demonstrates that we can take on repairs. The legal part with Mauna Kea, that is it.

Committee Chair Kaneshiro: Councilmember Chock got his answer. Council Chair Rapozo.

Council Chair Rapozo: I do have a question because I just want to make sure. If employees come to Councilmembers and share with Councilmembers, that is not a

violation of the Charter. That happens a lot. If the Councilmember goes and seeks out employees to go and interfere, then I see that as being a problem. But we are a small island. We are all on the baseball fields, soccer fields, and people are going to come up and say, "Oh, my God." I just shared with Lenny an issue that I just received and he dealt with it. *Pau.* Done. That happens. That is nothing interfering. Like what Councilmember Chock is saying, it is just sharing and trying to get to a resolution. I do have a suggestion once we get back to discussion that I think might be a better solution or a better way to handle it.

Committee Chair Kaneshiro: I do not want to talk about ethical violations or anything like that. We are in our budget meeting. We see the motion at hand, I would like to stick to that, and move forward on that in this budget meeting. Are there any further questions for the Administration?

There being no objections, the meeting was called back to order, and proceeded as follows:

Councilmember Kagawa: If the Administration is confident that this can work despite all of the concerns raised by the Unions, just the Charter and the commonsense thing, why are we giving the Department of Parks & Recreation the non-parks repair maintenance. If the Department of Parks & Recreation is confident they can do it and do it best, they are the Administration, and I will make a motion to withdraw.

Councilmember Kagawa withdrew the motion to eliminate the Facilities Maintenance Division from the Department of Parks & Recreation (including the Building Manager in the Department of Parks & Recreation Administration Division) and add the budgeted positions, associated costs, and level text back to the Building Repair & Maintenance Division and Janitorial Division under the Department of Public Works, with the recommendation that the Administration consider a division of responsibilities following the proposed table of organization that is attached hereto and after further consultation with affected supervisory employees.

Committee Chair Kaneshiro: Who was the second?

Councilmember Yukimura: I was. I am not going to withdraw my second because I am going to put it in again as my proposal.

Councilmember Kagawa: We can leave it, but I am not supporting it already.

Councilmember Yukimura: Okay.

Councilmember Kagawa: They are confident. I love the gusto. I believe in working together. If they feel this is the best, I am going to trust them. I thought that perhaps I was helping them by having them comply with the Charter. I think we should try and comply with the Charter whenever we can. Like I said, all of the people that contacted me, I am not going to try to do the Administration's job. I have other things to do. As the Public Works / Parks & Recreation Committee Chair, I was doing my best to try to make sure that we made the right decision. With the gusto that he is expressing, he is saying he is going to do it, let us give him a year, let us see how it improves or does not improve, and then let us judge it from there. I think we have to trust them at some point. We have to trust their judgment to make things better and I am willing to trust them on this like Councilmember Chock just said.

Committee Chair Kaneshiro: Council Chair Rapozo and then Councilmember Yukimura.

Council Chair Rapozo: The suggestion is that rather than...I am uncomfortable making this a budget issue. I really am.

Councilmember Yukimura: Me too.

Council Chair Rapozo: A resolution would probably be a better way to go if you wanted to have the discussion. You do a resolution to discuss this transition. I know Lenny folks did a presentation during the budget reviews, but subsequent to the budget discussions, we may have heard from employees, or unions, or whatever. I can tell you when people call me complaining, I send them to you because you are the Public Works / Parks & Recreation Committee Chair. I just have too much going on. That might be a better way to vet out this issue, through a resolution, where we can have the discussion and not here during the budget. That would be my suggestion.

Councilmember Kagawa: I have a response.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: My response to that is the Mayor can submit such a drastic change like that during the budget process, and you are saying that as a Council body, we cannot decide whether a major change...say the Kaua'i Fire Department said, "I think the lifeguards belong with the Department of Parks & Recreation," and they just move it in one (1) year. Can we not do anything about it as the overseers of the budget? Do we have to go along with it and then do a resolution if we disagree? I thought that was our job and that is the only reason why I tried to propose that kind of proposal. If that is the way it is, then that is the way it is.

Council Chair Rapozo: I think the way we could stop that is you basically defund the whole thing. At that point, the way I have been trained anyway for all of these years, if it is operation or if it is day-to-day we do not get involved. That is how I see it. The only opportunity we have is to defund, which I would hate to go down that road.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: I concur with Council Chair Rapozo that it would be better to vet this as a separate issue. It is tangentially a budget issue because you are taking out the salaries of a couple of employees in one (1) budget and you are putting it in another budget. The net effect on the County budget is zero (0). I think this whole structural thing should be discussed separately and we should look at the long-term issue on that. I would like to pass this to restore the status quo and then have a resolution submitted so that we can discuss it separate from the budget.

Committee Chair Kaneshiro: We will take the vote on that. Is there any further discussion?

Council Chair Rapozo: There is no vote. Councilmember Kagawa withdrew his motion.

Committee Chair Kaneshiro: But she did not withdraw her second.

Councilmember Kagawa: It is still on the table.

Councilmember Yukimura: If I withdraw it, I am just trying to save time. I am going to submit it again as my proposal.

Councilmember Kagawa: Let us vote. I can second hers if that is how you want to do it.

Committee Chair Kaneshiro: Let us take a vote on it already. I am pretty sure I know where it is going and let us get through it. Roll call vote.

Pursuant to Rule No. 6(b) of the Rules of the Council of the County of Kaua'i, "After a motion is stated or read by the Presiding Officer, it is deemed in the possession of the body, and shall be disposed of by vote. However, any motion may be withdrawn by the movant with consent of the second at any time before a decision or amendment." As the consent of the second was not granted, the motion to eliminate the Facilities Maintenance Division from the Department of Parks & Recreation (including the Building Manager in the Department of Parks & Recreation Administration Division) and add the budgeted positions, associated costs, and level text back to the Building Repair & Maintenance Division and Janitorial Division under the Department of Public Works, with the recommendation that the Administration consider a division of responsibilities following the proposed table of organization that is attached hereto and after further consultation with affected supervisory employees was then put, and failed by the following vote:

FOR MOTION:	Yukimura, Kuali'i	TOTAL – 2*,
AGAINST MOTION:	Chock, Hooser, Kagawa, Rapozo, Kaneshiro	TOTAL – 5,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

(\*Pursuant to Rule No. 5(b) of the Rules of the Council of the County of Kaua'i, Councilmember Kuali'i was noted as silent, but shall be recorded as an affirmative for the motion.)

Committee Chair Kaneshiro: We are on additions. Councilmember Kagawa.

Councilmember Kagawa: I have one (1) final addition after discussing a request with Lenny. There has been some requests for porta-potties and lighting at the Līhu'e Bash that they are going to have this weekend. The account has run out of money. These are for large tournaments and large events relating to parks that sometimes the existing restroom is not sufficient and sometimes the lighting is not sufficient if they have valuables like concession booths and things that they have at the bash. This is \$5,000 so that Lenny can fix problems when there is not enough restrooms and whatnot at events.

Councilmember Kagawa moved to add funding in the amount of \$5,000 to the Department of Parks & Recreation, Recreation Division for Other Services Parks Maintenance.

Committee Chair Kaneshiro: Councilmember Yukimura. Oh, I need a second.

Councilmember Kuali'i seconded the motion to add funding in the amount of \$5,000 to the Department of Parks & recreation, Recreation Division for Other Services Parks Maintenance.

Councilmember Yukimura: Are you talking about an event this weekend?

Councilmember Kagawa: No.

Councilmember Yukimura: Are you using it as an example?

Councilmember Kagawa: Yes, so there is money in there for next year's event and other events. He said that account has been taken away, so we are going to restore \$5,000 into that account.

Councilmember Yukimura: The account has been taken away? There is not other...

Councilmember Kagawa: Well, it has been cut.

Councilmember Yukimura: There is no other account to draw from?

Committee Chair Kaneshiro: We can ask the Administration for clarification on that also.

There being no objections, the rules were suspend.

Mr. Rapozo: For the record, Director of Parks & Recreation, Lenny Rapozo. Councilmember Kagawa came to me and brought up this suggestion, which is a good one because in our current budget even for this year, our porta-potty budget was cut as well as we do not have any other moneys to provide such events. I thought this was a good idea because it involves kids and a lot of teams coming from the neighbor islands that we can have additional \$5,000 in our budget for next year when we have this bash. Normally, they have anywhere between twenty (20) to twenty-four (24) teams from off-island with a waitlist at the bash, as an example.

Councilmember Kagawa: My question is, do you have other events besides the bash?

Mr. Rapozo: Yes, there are other events. Kalawai also has an event. Kekaha has baseball and paradise events that we were able to help with porta-potties, but with our current budget, we are unable to do that. So this earmarked \$5,000 for those types of events would be helpful for our budget next year.

Councilmember Hooser: I have a question.

Committee Chair Kaneshiro: Councilmember Hooser.

Councilmember Hooser: How does it cost for porta-potties for an event like the bash?

Mr. Rapozo: With a group, it ranges. The current contract ranges from \$450 to \$480, depending upon where they have to be taken.

*(Council Chair Rapozo was noted as excused.)*

Councilmember Hooser: \$450 to \$480 for...

- Mr. Rapozo: Depending on where it has to be taken.
- Councilmember Hooser: For one (1)?
- Mr. Rapozo: For one (1).
- Councilmember Hooser: For an event like the bash, how much are we talking about?
- Mr. Rapozo: The bash normally takes three (3) with one (1) Americans with Disabilities Act (ADA) compliant. You are looking at about a three (3) day rental.
- Councilmember Hooser: How much does that cost?
- Mr. Rapozo: Almost \$2,000 for Group 2.
- Councilmember Hooser: So about half of it goes toward The Bash?
- Mr. Rapozo: Porta-potties are very expensive.
- Councilmember Hooser: About half of the \$5,000 would go toward one (1) event?
- Mr. Rapozo: Yes.
- Councilmember Hooser: Tell me what The Bash is again.
- Mr. Rapozo: The Bash is a statewide Mustang tournament that is held on Kaua'i every Memorial Day.
- Councilmember Hooser: Are those horses or is it baseball?
- Mr. Rapozo: If you follow baseball, the youngest kids start out at the Shetland. They play Shetland, Pinto, Mustang, Pony, and Colt. Those are the ages of horses. Pony stands for...I forget now. Protecting Our Nation's Youth.
- Councilmember Hooser: Is this every year?
- Mr. Rapozo: Yes, this has been every year.
- Councilmember Hooser: Did the County pay last year?
- Mr. Rapozo: The County paid for the last four (4) years.
- Councilmember Hooser: Can we not take it out of exiting funds?
- Mr. Rapozo: I do not have existing funds in a porta-potty contract. We were cut last year to make our targets.
- Councilmember Hooser: But you cannot shift anything?

Mr. Rapozo: I do not have money earmarked to shift.

Councilmember Hooser: But you had a surplus last year, right?

Mr. Rapozo: If you look at my surplus, I always thought it was a sin to move "A" funds to "B" funds. It should be unexpended salaries. Yes, we do have a return, but if you look at it, I believe you are going to find that a good eighty to eighty-five percent (80-85%) of it comes from returned salaries in-between of hiring.

Councilmember Hooser: Okay. It just seems like a relatively small amount that you might be able to find internally.

Mr. Rapozo: I have said it before. Since Ken Shimonishi has come on, budgets have gone based upon actual spending. It is as close to spending that I have ever seen, and I have been in government for...I just made twenty-eight (28) years on April 18<sup>th</sup>. To see Ken do his magic with the actual spending is pretty incredible.

Committee Chair Kaneshiro: I have a question. There is a line item for Other Rentals, Portable Toilet, Yearly Rentals, Group I. Is that money not used for the porta-potties?

Mr. Rapozo: Group 1 are the ones that are placed in stationary areas or different beach parks such as Hā'ena and Black Pot. Group 2 are ones that we use for example, the Council came with a request for the porta-potties out there to deal with some of our people out here. That would have been a Group 2, but what we were able to do was make some arrangements and talk to the vendor, and amended the contract because we were coming to the end of the contract. We amended the contract so we could get a Group 1 so that we could get a stable rate. Those are the things that we have to do.

Committee Chair Kaneshiro: Can this money be used for those types of...

Mr. Rapozo: That would be a Group 2, but we do not have moneys in that account to do such a thing.

Committee Chair Kaneshiro: I see \$40,000, Special County Sponsored Events, Group 2; and then there is an additional fund for cleaning up porta-potties.

Mr. Rapozo: Is that for this one?

Committee Chair Kaneshiro: \$40,000.

Mr. Rapozo: Yes. Is that for this current proposal or for this year? The additional cleaning is done at Hā'ena and Black Pot where you folks get the phone calls from people that the porta-potties are in disarray. Normally the contract is Mondays, Wednesdays, and Fridays. With those additional cleanings, that incurs Saturday cleaning as well.

Committee Chair Kaneshiro: Councilmember Yukimura.



Councilmember Yukimura: Some of these other rentals, whether it is Group 1 or Group 2, that is also for the Waioli Park too?

Mr. Rapozo: Waioli does not have one anymore. It was taken out.

Councilmember Yukimura: So you do not use any porta-potties there at all?

Mr. Rapozo: Waioli, no we have not.

Councilmember Yukimura: It used to be taken out of this account, right?

Mr. Rapozo: Yes. We moved that portable. We established one (1) over at the courthouse for now.

Councilmember Yukimura: The users of Waioli Park are now using portables at the courthouse?

Mr. Rapozo: If they want to, yes.

Councilmember Yukimura: Which is why having access to a toilet from the outside might be a good idea.

Committee Chair Kaneshiro: Again, let us get to the line item.

Councilmember Yukimura: I am talking about the line item. Do you have a listing of all of the uses in the next fiscal year that would show that it will use-up \$229,000?

Mr. Rapozo: Yes.

Councilmember Yukimura: What was the lapse of this line item last year?

Mr. Rapozo: I apologize. I do not have my book. I did not come prepared to talk about porta-potties today.

Councilmember Yukimura: Can we know what the lapse is in that line item?

Committee Chair Kaneshiro: Are there any other questions for the Administration while we are looking at it? We will take a recess to get the answer.

There being no objections, the Committee recessed at 3:32 p.m.

The Committee reconvened at 3:37 p.m., and proceeded as follows:

Committee Chair Kaneshiro: Welcome back. Councilmember Yukimura had a question for Lenny, but I think we found the answer.

There being no objections, the rules were suspended.

Councilmember Yukimura: I think \$400 lapsed. So you are right, it is a tight account. But for the Department of Parks & Recreation entire budget, it was \$900,000.

Mr. Rapozo: Can you go and find out how many of that was salaries as opposed to operational, because I believe a good portion of that \$900,000 is salaries?

Councilmember Yukimura: Okay.

Mr. Rapozo: In my government experience, it is a sin to use unexpended salaries for operations.

Councilmember Yukimura: In fact, I think it...

Mr. Rapozo: We try to live within our means.

Councilmember Yukimura: I do not think you can even do that.

Committee Chair Kaneshiro: Let us not fight about it. It is \$5,000. It is late. Let us keep moving. We can just vote up or down on how we want it. It is \$5,000. Are there any further questions?

There being no objections, the meeting was called back to order, and proceeded as follows:

Committee Chair Kaneshiro: Is there any further discussion on this? I think \$5,000 is a small amount. I am not going to vote for it. I think they can find it in their budget somewhere. It is \$5,000. Anyone else? Roll call vote.

The motion to add funding in the amount of \$5,000 to the Department of Parks & Recreation, Recreation Division for Other Services Parks Maintenance was then put, and failed by the following vote:

FOR MOTION:	Chock, Kagawa	TOTAL – 2,
AGAINST MOTION:	Hooser, Kualii, Yukimura, Kaneshiro	TOTAL – 4,
EXCUSED & NOT VOTING:	Rapozo	TOTAL – 1,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Ms. Fountain-Tanigawa: Motion fails.

Committee Chair Kaneshiro: We have one (1) more add. Councilmember Yukimura.

Councilmember Yukimura: Okay. The staff is still working on it. Let me preface this by saying that it is pretty clear that this will not pass with five (5) votes, but I have to propose it because it is a need for this County.

Councilmember Yukimura moved to contribute \$355,160 from the General Fund to the General Fund-CIP and appropriate \$355,160 to a \*NEW\* project called Materials Recovery Facility (MRF), seconded by Councilmember Hooser.

Committee Chair Kaneshiro: Is there any discussion or questions?

Councilmember Yukimura: Yes.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: The MRF is something that has been part of our plan as a County since 2009, and we have funded the various stages of it. Now, we are at the point where we need to finish the design because we have found a site, we have closed in on the site, and we need to design it in order to build it. The \$200,000 that is there now is not sufficient and needs another \$400,000, but this will go a long way. Without the MRF, we cannot have curbside recycling, which was the Mayor's campaign promise in 2008. We cannot have the commercial and construction ordinance. We cannot move ahead on our Zero Waste goal of being able to divert seventy percent (70%) in a few years. If we did this, we might extend the landfill life presently and also require a much smaller new landfill. This is our commitment to do it, and do you know what? If we were not spending \$550,000, probably \$800,000 for this RFP process, we could easily fund it. All I am showing is that you can keep going off track by following this wild goose chase of trying to find a silver bullet, which is neither sustainable nor economically feasible. We need to move forward on a plan that we spent \$300,000 for. But by not going for the MRF and not funding it properly, it is going to delay our effort and we are not going to get the kind of solid waste management that we really need as a County.

Committee Chair Kaneshiro: Okay. Any further discussion? Councilmember Kagawa.

Councilmember Kagawa: Thank you Committee Chair Kaneshiro. Ask yourself, where is the MRF on all of the other islands? Is that a silver bullet? The reason why I give you that answer is we are separated by the Pacific Ocean from any manufacturing company that can turn the rubbish back into something usable without creating any residual rubbish that needs to be buried. It is getting kind of redundant and brutal. What I propose is that on a small scale, this group of Zero Waste people, let us dump a pile of rubbish in their yard or wherever they can show us on YouTube and show us how you MRF on a small scale. How do you MRF all of that rubbish? Seeing is believing. You keep talking about silver bullets, lies, and whatever. Show us what your MRF silver bullet looks like. Thank you, Committee Chair Kaneshiro.

Committee Chair Kaneshiro: Is there any further discussion? I do not want to keep going back and forth. We heard a lot about a MRF. Basically, do we want to send all of the money into a MRF? Councilmember Yukimura, if you can make it quick.

Councilmember Yukimura: Yes. The reason why there is no MRF on the other islands is because they are all looking for the silver bullet. They keep spending money toward it and they do not get it. The Mayor of Maui has huge problems. Mayor Carvalho knows that. On the Big Island, they are finally beginning a big composting project that is part of the diversion, composting MRF, hard to recycle center. That is why we could lead the way if we only could stay on track, but we are going off looking for the silver bullet, spending a huge amount of money, and it is all going to be wasted. Every year we appear before the wonderful forum of people with disabilities or people with possibilities, and we tell them about the job possibilities that this MRF could be for them. They have a hard time finding jobs for their people. This is perfect. A MRF will create many jobs, as will composting and other possibilities that are part of the Zero Waste paradigm. That is what our Integrated Solid Waste Management Plan talks about and we are deviating from it. We are going to a dead-end if we do not fund this MRF.

Committee Chair Kaneshiro: Okay. Thank you. Is there any further discussion? Roll call vote, please.

The motion to contribute \$355,160 from the General Fund to the General Fund-CIP and appropriate \$355,160 to a \*NEW\* project called Materials Recovery Facility (MRF) was then put, and failed by the following vote:

FOR MOTION:	Chock, Hooser, Yukimura	TOTAL – 3,
AGAINST MOTION:	Kagawa, Kualii, Kaneshiro	TOTAL – 3,
EXCUSED & NOT VOTING:	Rapoza	TOTAL – 1,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Committee Chair Kaneshiro: Are there any further additions?

Councilmember Kagawa: Yes.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa moved to move the remaining balance from the General Fund/Roads Maintenance to the Highway Fund and appropriate to the Island Wide Road Resurfacing Project, seconded by Councilmember Kualii.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: I am going to vote for this, of course, and I am so glad that we are doing this; however, we need \$10,000,000. The thing is if we do not have enough of a critical mass of money, the roads continue to deteriorate, and the bill gets bigger. This is really showing why we need another revenue source. We have looked in this budget, we say we can cut millions of dollars and we can fund road repair, \$355,000 is nothing. We need a MRF and other things. It is really evident that we need another revenue source in order to do the right thing with roads and to provide the kinds of services whether it is Zero Waste recycling or other things. We need another revenue source and we need to keep honing-in our budget, cutting waste, and funding the kinds of things we need in the future; climate change actions that will do our part. We have so many things that we have to do as our responsibility.

Committee Chair Kaneshiro: Is there any further discussion? Councilmember Kualii.

Councilmember Kualii: I would just say certainly people are tired. I am disappointed that we are at this point. \$355,000 is not enough to make a serious dent in the backlog of our roads, but it is something. We made some tough decisions. I think we could have come up with more money, but at least we did this.

Committee Chair Kaneshiro: Is there any further discussion? It is late and I guess we will see how the votes go. My intention was to put it in the Unassigned Fund Balance. We made some tough cuts this year and we told the Administration, "Come back with a money bill if you do not have the money." If we put this all to roads and then they come back with a money bill, then we are basically taking it out of our reserve fund. That is just me. I understand that our roads needs the money. We have had the discussions on

it forever. We had GET discussions and I understand why we want to move it there. I look at it as out piggy bank. Right now, we have some money to play with, but we know that when we made cuts, we may come back with money bills. Do we want to play with this money or do we want to play with our savings? That is just where I am at. Councilmember Kagawa.

Councilmember Kagawa: My question is, if you do not support this here, then you try and appropriate it to the Unassigned Fund Balance and do not have the votes there, then what happens to that money?

Committee Chair Kaneshiro: Then we would need to figure out what we are going to do. That is why we have to take the vote, see where it goes, and then there may need to be a compromise in the end. Is there any further discussion? Councilmember Yukimura.

Councilmember Yukimura: I really admire and respect Committee Chair Kaneshiro for his commitment, which I share, to getting a really healthy Unassigned Fund Balance. I want to just point out again, when we are not responsible about revenue sources, we are put into this terrible place where we cannot fund all of the things we need to fund. These are needs. That is why the Vehicle Weight Tax and the Fuel Tax increases, which would have been less than twenty cents (\$0.20) a day for the average or the half percent (0.05%) Excise Tax, those are the reasons why we have to make those tough courageous decisions so that we can serve our community.

Committee Chair Kaneshiro: Again, I do not know how the votes will go. We can plead our case. I think the two (2) decisions we have is if we want to put it in the Unassigned Fund Balance or do we want to put it in roads. We vote on it, if none of them have the votes, then we bring one (1) back, and we make a compromise. That is how we need to go.

Councilmember Yukimura: Or we can wait for Council Chair Rapozo.

Committee Chair Kaneshiro: Council Chair Rapozo is not coming back. He is excused.

Councilmember Yukimura: We have Monday.

Committee Chair Kaneshiro: I want to get this done. Councilmember Kualii. There are six (6) people here. If five (5) people vote for roads, it goes to roads, and we move on.

Councilmember Kualii: I hope people will vote for it to go roads. We have already voted to add \$433,000 to fund the bargaining unit for Water Safety raises that the Administration was planning to fund with an appropriation bill at a later point. To put it there, it defeats the purpose of what we are trying to do, to get some money to the backlog of roads. There is talk about being responsible with revenue sources, how about being responsible with expenditures? That is what we do every year during the budget. We worked hard, but it is never hard enough for me. We made some cuts, but it is never enough cuts for me. It is a \$180,000,000 budget. We ended up with \$355,000. If you did a percentage, that would be pretty darn low. To say that every penny now that is being spent

in this budget is absolutely and critically needed, that is just false. Anybody would tell you that we can do better with more cuts. I hope we put this money to the roads.

Committee Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: I will just state that I will put my vote in for roads. I think it is kind of a joke. You are going to put \$355,000 when we have a \$130,000,000 backlog that was last spoken, which is two-thirds of our budget. We will never catch up. In terms of our budget, we will never catch up. I want to put this into perspective for our community because we are the ones that are going to have to deal with it, or maybe our kids. We have to start somewhere. We tried. I heard at least \$5,000,000, maybe \$2,500,000. We are not even close to \$5,000,000 or half of the expenditures. How much more can we squeeze? How much water can we squeeze from the rock, is the question I have. What we are going to do is the question Committee Chair Kaneshiro asked. That is the question I want everyone to ask. Thank you.

Committee Chair Kaneshiro: Are there any further comments? I can count the votes. I am not sure where Councilmember Hooser is going. In all sense to get this thing going, I know where I want to put it, but I will vote to get this thing moving. Is there any further discussion? If not, I will end up voting on this so that we have five (5) votes. We might end up with six (6), but there is no sense in fighting about it when we are missing a Councilmember and we may end up in a deadlock. Roll call vote.

The motion to move the remaining balance from the General Fund/Roads Maintenance to the Highway Fund and appropriate to the Island Wide Road Resurfacing Project was then put, and carried by the following vote:

FOR MOTION:	Chock, Hooser, Kagawa, Kuali'i, Yukimura, Kaneshiro	TOTAL – 6,
AGAINST MOTION:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	Rapoza	TOTAL – 1,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Ms. Fountain-Tanigawa: Six (6) ayes.

Committee Chair Kaneshiro: Next. Are there any Budget Provisos? Nope. Are there any proposals to Real Property Tax rates? Okay. I need a roll call vote to accept the proposed Real Property Tax Rates...oh, can I get a motion first?

Councilmember Yukimura moved to accept the Real Property Tax Rates, seconded by Councilmember Kuali'i.

Committee Chair Kaneshiro: Can I get a roll call vote?

The motion to accept the Real Property Tax Rates was then put, and carried by the following vote:

FOR MOTION:	Chock, Hooser, Kagawa, Kuali'i, Yukimura, Kaneshiro	TOTAL – 6,
AGAINST MOTION:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	Rapoza	TOTAL – 1,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Ms. Fountain-Tanigawa: Six (6) ayes.

Committee Chair Kaneshiro: Thank you. Before we adjourn, I would like to ask if we could have a motion and a second to provide the Council Services Staff with the ability to make adjustments after entering the various proposals, if necessary, to balance the budget.

Councilmember Kualii moved to allow the Council Services Staff to balance, seconded by Councilmember Yukimura, and carried by a vote of 6:0:1 (*Council Chair Rapozo was excused*).

Committee Chair Kaneshiro: Motion passes. With that, we got the budget adjustments done. We are done with the decision-making session. Before we adjourn, I would like to go over a few more housekeeping items. Staff will be preparing our amendments made today and incorporating them into the budgets. On May 24, 2016, which is a Tuesday Committee Meeting due to a WIR Conference, the Budget & Finance Committee will be formally approving all decision-making items by procedurally amending and approving the budget bills and the Real Property Tax Resolution, along with receiving the Committee's report detailing the various pluses and minuses. It is my understanding Councilmember Hooser is not going to be here, but for all intents and purposes, we basically see, vote on it, and then our comments are going to be made at the next meeting in June. I would respectfully ask that Councilmembers refrain from making any final comments. That will take place on June 1<sup>st</sup>.

Councilmember Yukimura: Is there not a public hearing?

Committee Chair Kaneshiro: That is at the next Committee Meeting on Tuesday.

Councilmember Yukimura: Okay.

Committee Chair Kaneshiro: Members from the public can come in and testify.

Councilmember Yukimura: What is the date?

Councilmember Hooser: May 24<sup>th</sup>.

Committee Chair Kaneshiro: Tuesday, May 24<sup>th</sup> at 8:30 a.m. It is a regular meeting day. As I mentioned before, Committee and Council will then approve the Fiscal Year 2016-2017 budgets on June 1<sup>st</sup> during second and final reading, which will be accompanied by the Council's budget message on that date. On June 1<sup>st</sup>, Councilmembers will be able to make their final remarks on the budget in accordance with our Council Rules. Again, it has been a long budget season. I do not think there is any budget season that is quick. It has been arduous. I just want to thank the Councilmembers for allowing us to get done today before 4:30 p.m. I want to thank the Administration for all of their hard work getting back to us. Again, we had over three hundred (300) questions sent to them that they got back to us on. I think tempers flare. The budget is very passionate. You have people fighting for money and you have the Council trying to cut money to be responsible to the residents. It is not easy. I think you see it, but in the end, I think we all have the same goal. We want to use the taxpayers' money the wisest and have a good budget. At the end of the day, we can all be happy that wherever we got to, we got to. Fortunately, we are at a zero (0), but we are not taking out of our savings account, which is a good thing. We put some money towards the roads, which is also a good thing. Again, the expectation is to see them spend the money and we can say, "With the extra \$355,000, these are the roads we did with that. So we are able to spend our money wisely."

Councilmember Yukimura: Committee Chair Kaneshiro.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: I just want to say thank you to you for your excellent management of this budget decision-making process.

Committee Chair Kaneshiro: Thank you. No clapping, let us get this thing done. Again, I want to thank all of you. We are one (1) step closer to passing the Fiscal Year 2016-2017 Operating and CIP Budgets. With that, the Budget & Finance Committee decision-making session is now adjourned.

There being no objections, the meeting was adjourned at 3:58 p.m.

Respectfully submitted,



Allison S. Arakaki  
Council Services Assistant I



Codie K. Yamauchi  
Council Services Assistant I

APPROVED at the Committee Meeting held on June 29, 2016:

  
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ARRYL KANESHIRO  
Chair, Budget & Finance Committee